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OF THE
PRESIDENTS



Ronald
Reagan

1987



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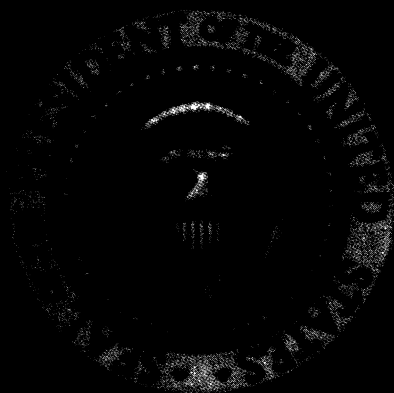


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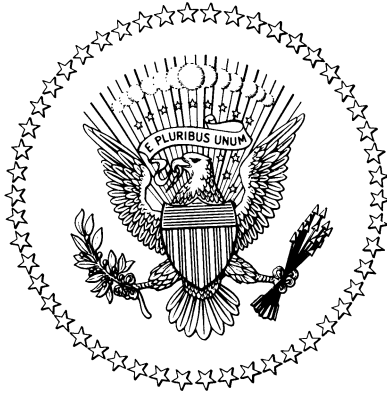
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PUBLIC PAPERS OF THE PRESIDENTS
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UNITED STATES

Ronald Reagan



1987

(IN TWO BOOKS)

BOOK I—JANUARY 1 TO JULY 3, 1987



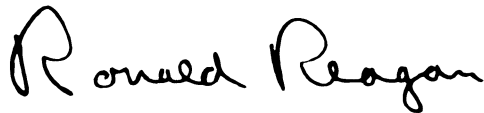
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Foreword

The year 1987 was a year of conversations that led to remarkable conclusions. The United States and its allies met for an economic summit in Venice and agreed that the future of economic freedom lies in trade that is both open and fair. To that end, we completed negotiations with our neighbor Canada on a breathtaking venture into international free trade.

We renewed our longstanding commitment to excellence in our schools and the promotion of the peerless Western values that we must transmit to our children if our society is to prosper and grow. Our efforts to give our children a better future contributed to a new atmosphere in this nation—an attitude toward the use of illegal drugs that was summed up in three simple but powerful words: “just say no.” In this assertion of public morality, we may have seen the most important development of the year.

A handwritten signature in black ink that reads "Ronald Reagan". The signature is written in a cursive, flowing style with a large initial "R".

Preface

This book contains the papers and speeches of the 40th President of the United States that were issued by the Office of the Press Secretary during the period January 1–July 3, 1987. The material has been compiled and published by the Office of the Federal Register, National Archives and Records Administration.

The material is presented in chronological order, and the dates shown in the headings are the dates of the documents or events. In instances when the release date differs from the date of the document itself, that fact is shown in the textnote. Every effort has been made to ensure accuracy: Remarks are checked against a tape recording, and signed documents are checked against the original. Textnotes, footnotes, and cross references have been provided by the editors for purposes of identification or clarity. Speeches were delivered in Washington, DC, unless indicated. The times noted are local times. All materials that are printed full-text in the book have been indexed in the subject and name indexes, and listed in the document categories list.

The Public Papers series was begun in 1957 in response to a recommendation of the National Historical Publications Commission. An extensive compilation of messages and papers of the Presidents covering the period 1789 to 1897 was assembled by James D. Richardson and published under congressional authority between 1896 and 1899. Since then, various private compilations have been issued, but there was no uniform publication comparable to the Congressional Record or the United States Supreme Court Reports. Many Presidential papers could be found only in the form of mimeographed White House releases or as reported in the press. The Commission therefore recommended the establishment of an official series in which Presidential writings, addresses, and remarks of a public nature could be made available.

The Commission's recommendation was incorporated in regulations of the Administrative Committee of the Federal Register, issued under section 6 of the Federal Register Act (44 U.S.C. 1506), which may be found in title 1, part 10, of the Code of Federal Regulations.

A companion publication to the Public Papers series, the Weekly Compilation of Presidential Documents, was begun in 1965 to provide a broader range of Presidential materials on a more timely basis to meet the needs of the contemporary reader. Beginning with the administration of Jimmy Carter, the Public Papers series expanded its coverage to include all material as printed in the Weekly Compilation. That coverage provides a listing of the President's daily schedule and meetings, when announced, and other items of general interest issued by the Office of the Press Secretary. Also included are lists of the President's nominations submitted to the Senate, materials released by the Office of the Press Secretary that are not printed full-text in the book, and acts approved by the President. This information appears in the appendixes at the end of the book.

Volumes covering the administrations of Presidents Hoover, Truman, Eisenhower, Kennedy, Johnson, Nixon, Ford, and Carter are also available.

The Chief Editor of this book was William King Banks, assisted by Gary L. Posselt and E.B. Swidal.

White House liaison was provided by Marlin Fitzwater, Assistant to the President for Press Relations. The frontispiece and photographs used in the portfolio were supplied by the White House Photo Office.

Martha L. Girard
Acting Director of the Federal Register

Don W. Wilson
Archivist of the United States

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Administration of Ronald Reagan

1987

Memorandum on the Generalized System of Preferences

January 2, 1987

Memorandum for the United States Trade Representative

Subject: Actions Concerning the Generalized System of Preferences

Pursuant to sections 502(b)(8) and 504 of the Trade Act of 1974, as amended (the Act) (19 U.S.C. 2462(b)(8) and 2464), I am hereby acting to modify the application of duty-free treatment under the Generalized System of Preferences (GSP) currently being afforded to certain beneficiary developing countries, and to make findings concerning steps by certain beneficiary developing countries to afford internationally recognized worker rights to workers in such countries.

Specifically, I have determined, under the provisions of section 504(c)(2) of the Act and after taking into account the factors listed in sections 501 and 502(c) of the Act (19 U.S.C. 2461 and 2462(c)), that certain beneficiary developing countries have demonstrated a sufficient degree of competitiveness (relative to other beneficiary developing countries) with respect to particular eligible articles that section 504(c)(2)(B) should apply to such articles. Such countries are enumerated in Annex A opposite the Tariff Schedules of the United States (TSUS) items applicable to each article.

Second, under the terms of section 504(c)(3) of the Act, I am hereby waiving the application of section 504(c) with respect to particular eligible articles from specified beneficiary developing countries. I have received the advice of the United States International Trade Commission as to any industries in the United States which would likely be adversely affected by such waivers, and I have determined, based on that advice and on the considerations described in sections 501 and 502(c) of the

Act, that such waivers are in the national economic interest of the United States. The countries to be afforded such waivers for particular eligible articles are enumerated in Annex B opposite the TSUS items applicable to each article.

Finally, after considering various private sector requests for review concerning worker rights in certain beneficiary developing countries, and in accordance with section 502(b)(8) of the Act, I have determined that the following beneficiary developing countries have taken or are taking steps to afford internationally recognized worker rights (as defined in section 502(a)(4) of the Act): Guatemala, Haiti, the Republic of Korea, the Philippines, Suriname, Taiwan, and Zaire. However, I have determined that Romania, Paraguay, and Nicaragua, previously designated as beneficiary developing countries, are not taking steps to afford such internationally recognized worker rights. Therefore, I intend to notify the Congress of the United States of my intention to remove Romania and Nicaragua from the list of designated beneficiary developing countries for purposes of the GSP, and to suspend the GSP eligibility of Paraguay. Finally, I am continuing to review the status of such worker rights in another beneficiary developing country, Chile.

These determinations shall be published in the *Federal Register*.

RONALD REAGAN

[Filed with the Office of the Federal Register, 3:27 p.m., January 2, 1987]

Note: The memorandum and annexes were printed in the "Federal Register" of January 6.

Letter to the Speaker of the House of Representatives and the President of the Senate on the Generalized System of Preferences January 2, 1987

Dear Mr. Speaker: (Dear Mr. President:)

I am writing to inform you of my intent to withdraw Romania and Nicaragua and suspend Paraguay from the list of beneficiary developing countries under the Generalized System of Preferences (GSP) effective 60 days after the date of this letter. This action is being taken in accordance with Title V of the Trade Act of 1974 (the Act), as amended.

Sections 502(b) and 504(b) of the Act require that the President withdraw or suspend from the list of GSP eligible countries any country that he has determined is not taking steps to afford its workers interna-

tionally recognized worker rights. After careful review, I have determined that Romania, Nicaragua, and Paraguay are not taking steps to afford their workers internationally recognized worker rights.

This notice is being provided pursuant to section 502(a)(2) of the Act.

Sincerely,

RONALD REAGAN

Note: Identical letters were sent to Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and George Bush, President of the Senate.

Radio Address to the Nation on the Fiscal Year 1988 Budget January 3, 1987

My fellow Americans:

Now that the new year is here and the holidays are just about over, Nancy and I, like you, are getting ready to return to work; and for me that means that in just a few days I'll be sending Congress my proposal for next year's Federal budget. You know, when you look at a budget, all you see are long rows of numbers. They go on for pages, and they're not very exciting. But those numbers always add up to something, and it's not just a surplus or a deficit. No, it's also a plan, a hope, a vision of what America is and of where America is going.

Six years ago we began our country on the path to greater growth and opportunity. We said it was time to put the days of tax and spend in the past and trust less in government and more in America's families, communities, and values. Some called the values we talked about radical and even revolutionary. Well, you know, I had to smile when they called it the Reagan revolution, because, yes, those values may have been revolutionary, but they were from a revolution much older than me—the revo-

lution that started with the Declaration of Independence and the Constitution, the revolution continued by every American who ever plowed the land or worked in a factory, an office, or a store, or built a business or stayed home and built a family.

Those have been the values that shaped this budget as well. What are they? Well, one is that government shouldn't tax away a man or woman's incentives to work, save, and invest, and that taxes should begin only after a family has earned enough to live on. That's why this is a "no-tax-increase" budget. Last year America pushed aside the special interests and passed a tax reform bill that was pro-savings, pro-investment, pro-family. By next year, as a result of tax reform, the top tax rate will be 28 percent; the standard deduction and personal exemptions for your family will have gone up by 60 percent; and most families will pay a rate of no more than 15 percent. But now some in Congress are saying they'd like to take part of this away, even before it goes into effect. They'd rather raise your taxes than cut their spending. Well, not if I have

anything to say about it.

This budget cuts spending and leaves your family's paycheck alone, and that's another important value. Like your family, the Federal Government should live within its means. This year we're taking an historic step toward that goal, because the Federal Government is doing less real spending than last year, something that hasn't happened since 1973. That's right—not in almost 14 years. And with the coming year's budget, we plan to make it 2 years in a row. By the way, Congress wouldn't have achieved these spending cuts without the discipline of the Gramm-Rudman law. That's why those who say do away with Gramm-Rudman are just plain wrong. Gramm-Rudman has begun to put the monster of big spending into a cage, and we won't let that monster out.

The budget I'm proposing will meet the Gramm-Rudman target. It will bring the Federal deficit within the range of our normal peacetime experience, and it will do this without shortchanging important commitments. We will spend more than ever for America's elderly, for law and drug enforcement, for AIDS research, for health care, and for air traffic safety. And in one vital area, defense, we'll be stopping a dangerous slide. For the last 2 years defense spending, after inflation, has dropped, even while our adversaries spent more. To let this decline continue would endanger every family in America and world peace as well.

With this budget, we'll give defense a modest but important boost, the minimum I believe is necessary to ensure America's peace and security. But while we'll be spending more in many areas, we'll also be looking at the invoices more carefully than ever. In defense, in health care, and many areas, we've asked: Are we getting what we think we're paying for? And where the answer is no, we plan to make changes, and those changes are reflected in this budget.

All of this will require the help of Congress. That's why I was disappointed to hear that the new Democratic leadership had declared that their first priority is to pass the budget-busting clean water bill that I vetoed last year. Well, now, I'm in favor of clean water, but the only thing clean in this bill is its name. It spends billions more than is needed. If the Democratic leadership decides to push this bill, they'll be sending a clear signal that they've sided with those who want to raise your taxes and take the lid off spending. I am willing to work with congressional leaders for a reasonable bill. But I have a special message to the new Congress: You can't have it both ways. You cannot decry deficits and then pass budget-busting legislation. The American people expect us to work together to eliminate the deficit. I remain ready to do so.

Until next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from the Oval Office at the White House.

Message to the Speaker of the House of Representatives and the President of the Senate Transmitting the Fiscal Year 1988 Budget January 5, 1987

To the Speaker of the House of Representatives and the President of the Senate:

The current economic expansion, now in its 50th month, is already one of the longest of the postwar era and shows promise of continuing to record length. This has not been due simply to chance—it is the result of successful policies adopted during the past 6 years. Disposable personal income is

at an all-time high and is still rising; total production and living standards are both increasing; employment gains have been excellent. Inflation, which raged at double-digit rates in 1980, has been reduced dramatically. Defense capabilities, which had been dangerously weakened during the 1970's, have been substantially rebuilt, restoring a more adequate level of national

security. An insupportable growth in tax burdens and Federal regulations has been halted, an intolerably complex and inequitable income tax structure has been radically reformed, and the largest management improvement program ever attempted is in full swing in all major Federal agencies. It has been a good 6 years.

Now in its 5th year, the current expansion already has exceeded 5 of the 7 previous postwar expansions in duration, and leading economic indicators point to continued growth ahead. Our policies have worked. Let me mention a few highlights of the current economic expansion:

- In the past 4 years 12.4 million new jobs have been created, while the total unemployment rate has fallen by 3.7 percentage points. By comparison, jobs in other developed countries have not grown significantly, and unemployment rates have remained high.

- Inflation, which averaged 10.3 percent a year during the 4 years before I came to office, has averaged less than a third of that during the last 4 years—3.0 percent; inflation in 1986, at about 1 percent, was at its lowest rate in over two decades.

- The prime rate of interest, and other key interest rates, are less than half what they were in 1981.

- Between 1981 and 1986, numerous changes in the tax code, including a complete overhaul last year, have simplified reporting, made the tax law more equitable, and significantly lowered tax rates for individuals and corporations. Six million low-income taxpayers are being removed from the income tax rolls. The inhibitive effect of our tax code on individual initiative has been reduced dramatically. Real after-tax personal income has risen 15 percent

during the last 4 years, increasing our overall standard of living.

- Our defense capabilities have been strengthened with modernized equipment and successful recruiting and retention of higher caliber personnel; the readiness, training, and morale of our troops has been improved.

- After years of unsustainably rapid growth, Federal spending for domestic programs other than entitlements has been held essentially flat over the last 4 years.

- Since 1981, the amount of time spent by the public filling out forms required by the Federal Government has been cut by over 600 million hours, and the number of pages published annually in the *Federal Register* has been reduced by over 45 percent.

- Our continuing fight against waste, fraud, and abuse in Government programs has paid off, as the President's Council on Integrity and Efficiency has saved \$84 billion in funds that have been put to more efficient use.

- Finally, Federal agencies have instituted the largest management improvement program ever attempted to bring a more business-like approach to Government.

The dramatic improvement in the performance of our economy stemmed from steadfast adherence to the four fundamental principles of the economic program I presented in February 1981:

- limiting the growth of Federal spending;
- reducing tax burdens;
- relieving the economy of excessive regulation and paperwork; and
- supporting a sound and stable monetary policy.

BUDGET SUMMARY

[In billions of dollars]

	1986	1987	1988	1989	1990	1991	1992
Receipts.....	769.1	842.4	916.6	976.2	1,048.3	1,123.2	1,191.2
Outlays.....	989.8	1,015.6	1,024.3	1,069.0	1,107.8	1,144.4	1,178.9
Surplus or deficit (—).....	–220.7	–173.2	–107.8	–92.8	–59.5	–21.3	12.3

BUDGET SUMMARY—Continued

[In billions of dollars]

	1986	1987	1988	1989	1990	1991	1992
Gramm-Rudman-Hollings deficit targets.....	-171.9	-144.0	-108.0	-72.0	-36.0	0.0	0.0
Difference.....	48.8	29.2	-0.2	20.8	23.5	21.3	-12.3

Note.—Totals include social security, which is off-budget.

Need for Deficit Reduction

The foundation has been laid for a sustained era of national prosperity. But a major threat to our future prosperity remains: the Federal deficit. If this deficit is not brought under control by limiting Government spending, we put in jeopardy all we have achieved. Deficits brought on by continued high spending threaten the lower tax rates incorporated in tax reform and inhibit progress in our balance of trade.

We cannot permit this to happen. Therefore, one of the major objectives of this budget is to assure a steady reduction in the deficit until a balanced budget is reached.

This budget meets the \$108 billion deficit target for 1988 set out in the Balanced Budget and Emergency Deficit Control Act, commonly known for its principal sponsors as Gramm-Rudman-Hollings. Gramm-Rudman-Hollings committed both the President and Congress to a fixed schedule of progress toward reducing the deficit. In submitting this budget, I am keeping my part of the bargain—and on schedule. I ask Congress to do the same. If the deficit reduction goals were to be abandoned, we could see unparalleled spending growth that this Nation cannot afford.

This budget shows that eliminating the deficit over time is possible *without* raising taxes, *without* sacrificing our defense preparedness, and *without* cutting into legitimate programs for the poor and the elderly, while at the same time providing needed additional resources for other high priority programs.

Deficit Reduction in 1988

Although the deficit has equalled or exceeded 5 percent of the gross national prod-

uct (GNP) in each of the past 4 years, each year I have proposed a path to lower deficits—involving primarily the curtailment of unnecessary domestic spending. Congress, however, has rejected most of these proposals; hence, our progress toward reducing the deficit has been much more modest than it could have been.

This year there appears to be a major turn for the better. The 1987 deficit is estimated to be about \$48 billion less than in 1986 and should decline to less than 4 percent of GNP. As the economy expands, Federal receipts will rise faster than the increase in outlays Congress enacted for the year.

However, there is no firm guarantee that progress toward a steadily smaller deficit and eventual budget balance will continue. On a current services basis the deficit will continue to decline over the next 5 years, but this decline is gradual and vulnerable to potential fiscally irresponsible congressional action on a multitude of spending programs. It is also threatened by the possibility of a less robust economic performance than is projected, for that projection is based on the assumption that the necessary spending cuts will be made.

This 1988 budget can deal the deficit a crucial blow. If the proposals in this budget are adopted and if the economy performs according to the budget assumptions for growth and inflation, then for the second consecutive year the deficit should shrink substantially, by \$65 billion, and thus decline to less than 2½ percent of GNP. Reducing the deficit this far would bring it within the range of our previous peacetime experience and bring our goal of a balanced budget much closer to realization.

Moreover, if Congress adopts the proposals contained in this budget, it will ensure additional deficit reductions in future years, because in many cases the savings from a given action, although small in 1988, would mount in later years. Given the good start made in 1987, Congress has an opportunity this year—by enacting this budget—to put the worst of the deficit problem behind us.

Adopting the spending reductions and other reforms proposed in this budget would reduce the Federal deficit an average \$54 billion annually for the next 3 years. This represents \$220 each year for every individual American and about \$600 for every household. I believe this is the appropriate way to deal with the deficit: cutting excessive Federal spending rather than attacking the family budget by increasing taxes, weakening our national security, breaking faith with the poor and the elderly, or ignoring the requirements for additional resources for other high priority programs.

A More Competitive, Productive America

The task of deficit reduction is a formidable one—but it can and should be achieved with serious attention to the effects on America's economy, businesses, State and local governments, social organizations, and individual citizens. Reducing the deficit will reduce the burden the Federal Government places on private credit markets. The specific deficit reduction measures proposed in this budget would also help make our economy more competitive—and more productive. These objectives have been major considerations in the formulation of this budget.

High priority programs must be funded adequately. Despite the very tight overall fiscal environment, this budget provides adequate funds for maintaining and, in selected cases, expanding high priority programs in key areas of national interest. For example:

- essential services and income support for the aged and needy are expanded;
- the prevention, treatment, and research efforts begun in my 1987 drug abuse initiative are continued, while resources devoted to drug law enforcement have tripled since my administration began;

- the budget allocates \$85 million to more intensive health care for those with the highest incidence of infant mortality;

- over half a billion dollars is provided for AIDS research and education in 1988—a 28 percent increase above the 1987 level and more than double our 1986 effort (an additional \$100 million is provided for AIDS treatment and blood screening by the Veterans Administration and the Department of Defense);

- building upon the Nation's preeminence in basic biomedical research, the budget seeks funding for the full multiyear costs of biomedical research grants made by the National Institutes of Health;

- a \$200 million increase over the 1987 level is proposed for compensatory education for educationally disadvantaged children;

- current ineffective programs intended to assist dislocated workers are replaced by an expanded billion-dollar program carefully designed to help those displaced from their jobs move quickly into new careers;

- a 68 percent increase in funding is provided to permit the Federal Aviation Administration to modernize the Nation's air traffic control system; this includes the procurement of doppler radars capable of detecting severe downdrafts that imperil landings and takeoffs at airports where this is a hazard;

- for 1988, \$400 million is provided to carry out newly enacted immigration reform legislation;

- substantial increases in funding for clean coal technology demonstrations, as well as research on acid rain formation and environmental effects, are provided to address the acid rain problem; and

- a new civil space technology initiative, together with previously planned increases to construct a space station, develop a national aerospace plane, and foster the commercial development of space, are provided in this budget.

Restoring our national security also has been one of my highest priorities over the past 6 years due to the serious weakness arising from severe underfunding during the middle and late 1970's. Nonetheless, defense and international programs have not

escaped the effects of fiscal stringency. The defense budget actually has declined in real terms in each of the past 2 years. This trend cannot be allowed to continue. I am proposing in this budget a 3 percent real increase over last year's appropriated level. This request—some \$8 billion less than last year's—is the minimum level consistent with maintaining an adequate defense of our Nation.

Likewise, my request for our international affairs programs is also crucial to our effort to maintain our national security. I urge Congress not to repeat last year's damaging cuts, but rather to fund these programs fully.

The incentive structure for other Federal programs should be changed to promote efficiency and competitiveness. One of the problems with many Federal programs is that they provide payments without encouraging performance or efficiency. They are perceived to be "free" and, therefore, there is potentially unlimited demand. This has to be changed—and this budget proposes creating needed incentives in critical areas.

Our farm price support programs, under the Food Security Act of 1985, are proving much too costly—half again as costly as estimated when the bill was enacted just one year ago. The \$25 billion being spent on farm subsidies in 1987 is 14 percent of our total Federal deficit and equivalent to taking \$415 of each nonfarm family's taxes to support farmers' incomes—over and above the amount that price supports add to their grocery bills. Some of the provisions of the Act encourage farmers to overproduce just to receive Federal benefits. Other provisions give the greatest benefits to our largest and most efficient agricultural producers instead of to those family farmers most in need of help. My administration will propose amendments to the Food Security Act to focus its benefits on the full-time family farmer by placing effective limitations on the amount paid to large producers and removing the incentive for farmers to overproduce solely to receive Federal payments.

Reform of the medicare physician payment system is also proposed. Under the proposals, medicare would pay for radiology, anesthesiology, and pathology (RAP)

services based on average area costs instead of inflationary fee-for-service reimbursements. The current fee-for-service payment distorts incentives and induces inappropriate billing for unneeded services. This initiative would remove the distortions caused by medicare's current reimbursement rules, eliminating a key barrier preventing the restoration of traditional arrangements between RAP physicians and hospital staffs.

The budget proposes continued increases in federally supported basic research that will lead to longer term improvements in the Nation's productivity and global competitiveness. For example, the budget projects a doubling within 5 years of the National Science Foundation's support for academic research. I also propose to increase support for training future scientists and engineers, and to foster greater technology transfer from Government to industry.

Another way of attaching a "value" to Government-provided services—and an incentive to use them only as needed—is to charge user fees where appropriate. Those who receive special Federal services—not the general taxpayer—should bear a greater share of the costs of those services. Accordingly, this budget imposes fees for Federal lending activities, for meat and poultry inspection, for National park and forest facilities, for Coast Guard services, for Customs inspections, and for many other services.

The Government should stop competing with the private sector. The Federal Government interferes with the productivity of the private sector in many ways. One is through borrowing from the credit markets to finance programs that are no longer needed—as in the case of the rural housing insurance fund, direct student financial assistance, urban mass transit discretionary grants, vocational education grants, the Federal Crop Insurance Corporation fund, sewage plant construction grants, justice assistance grants, the Legal Services Corporation, and rural electrification loans. I am proposing in this budget that we terminate these programs and rely instead on private or State and local government provision of these services.

The budget also proposes that a number

of programs that have real utility be transferred back to the private sector, through public offerings or outright sales. Following our successful effort to authorize sale of Conrail, I am now proposing the sale of the Naval Petroleum Reserves, AMTRAK, the Alaska Power Administration, the helium program, and excess real property. In addition, I am proposing legislation to authorize study of a possible divestiture of the Southeastern Power Administration. These "privatization" efforts continue to be a high priority of my administration and, I believe, will result in increased productivity and lower total costs of providing these services. The Federal Government needs to provide essential services that are truly public in nature and national in scope. It has no business providing services to individuals that private markets or their State or local governments can provide just as well or better.

The Federal Government should depend more on the private sector to provide ancillary and support services for activities that remain in Federal hands. The budget proposes that the work associated with over 40,000 Federal positions be contracted out to the private sector as yet another way to increase productivity, reduce costs, and improve services.

Federal credit programs should operate through the private markets and reveal their true costs. The Federal Government provides credit for housing, agriculture, small business, education, and many other purposes. Currently, over a trillion dollars of Federal or federally assisted loans are outstanding. Including lending of Government-sponsored enterprises, federally assisted lending amounted to 14 percent of all lending in U.S. credit markets in 1985.

Under current treatment, loan guarantees appear to be "free"; they do not affect the budget until and unless borrowers default. Direct loans are counted as outlays when they are made, but as "negative outlays" when they are repaid; thus, direct loans seem "free" too, inasmuch as it is presumed they will be repaid. But neither direct loans nor loan guarantees are free. Besides the better terms and conditions a borrower gets from the Government, there is the matter of default. When a borrower does not repay a direct loan, the negative outlay does not

occur, and this is a subsidy implicit in the original loan transaction. When a borrower defaults on a guaranteed loan, the Government has to make good on repayment—also a program subsidy.

Since these effects are poorly understood and lead to grave inefficiencies in our credit programs, we will ask Congress to enact legislation whereby the true cost to the economy of Federal credit programs would be counted in the budget. By selling a substantial portion of newly made loans to the private sector and reinsuring some newly made guarantees, the implicit subsidy in the current practice will become explicit. This reform will revolutionize the way Federal credit activities are conducted.

The private sector will also be increasingly involved in the management of our huge portfolio of outstanding loans and loan guarantees. Delinquent Federal borrowers will be reported to private credit bureaus, and private loan collection agencies will be used to help in our collection efforts. The Internal Revenue Service (IRS) will expand its "offsetting" of refunds to pay off delinquent Federal debts, and Federal employees who have not paid back Federal loans will have their wages garnished.

Increased role for State and local governments. Over the past 6 years I have sought to return various Federal services to State and local governments—which are in a much better position to respond effectively to the needs of the recipients of these services. To me, this is a question of reorganizing responsibilities within our Federal system in a manner that will result in more productive delivery of the services that we all agree should be provided. Thus, this budget phases out inappropriate Federal Government involvement in local law enforcement, sewage treatment, public schools, and community and regional development. Transportation programs will be consolidated or States will be given greater flexibility in the use of Federal funds for highways, mass transit, and airports.

Federal regulations must be reduced even further to improve productivity. My administration will continue the deregulation and regulatory relief efforts that were begun in 1981. The Task Force on Regulatory Relief,

headed by the Vice President, has been reinstated. In the past, excessive Federal regulations and related paperwork have stifled American productivity and individual freedom. We must continue our efforts to streamline the regulatory process and to strike the proper balance between necessary regulation and associated paperwork on the one hand, and the costs of these requirements on the other.

Federal activities should be better managed. The American people deserve the best managed Federal Government possible. Last year, I initiated the Federal Government Productivity Program, with the goal of improving productivity in selected areas by 20 percent by 1992. A substantial portion of total direct Federal employment falls within the program, including such activities as the Department of Agriculture meat and poultry inspection, Navy aircraft maintenance and repair, social security claims processing, National Park maintenance, operation of Federal prisons, and IRS processing of tax returns.

Credit reform, privatization, productivity improvement, and other proposals will be described in more detail in the *Management Report* to be issued this month. It will also identify further measures to reduce waste, fraud, and abuse; to improve management of the Government's \$1.7 trillion cashflow; to institute compatible financial management systems across all Federal agencies; and other initiatives to improve the management of Government operations. These ambitious management reform undertakings, called "Reform '88," constitute the largest management reform effort ever attempted.

The budget also proposes a new approach to paying Federal employees who increase their productivity. I ask that Congress approve a new plan to transform the current system of virtually automatic "within-grade" salary increases for the roughly 40 percent of employees eligible each year for these 3 percent hidden pay raises to one that is "performance-oriented". This will give Federal employees stronger incentives to improve service delivery.

I include with this budget my recommendations for increases in executive level pay for the executive, legislative, and judicial

branches of the Federal Government. The Quadrennial Commission report submitted to me on December 15, 1986 documented both the substantial erosion in the real level of Federal executive pay that has occurred since 1969 and the recruitment and retention problems that have resulted, especially for the Federal judiciary. The Commission is to be commended for its diligent and conscientious effort to address the complicated and complex problems associated with Federal pay levels.

Every one of the Quadrennial Commissions that have met over the past 18 years has recognized that a pay increase for key Federal officials was necessary. Each Commission concluded that pay for senior Government officials fell far behind that of their counterparts in the private sector. They also understood that we cannot afford a Government composed primarily of those who are wealthy enough to serve. Unfortunately, the last major Quadrennial Commission pay adjustment was in 1977—a decade ago.

However, I recognize that we are under mandated efforts to reduce the Federal deficit and hold down the costs of Government to the absolute minimum level. In this environment, I do not believe it would be appropriate to implement fully the Quadrennial Commission recommendations.

Accordingly, I have decided to propose a pay increase, but have cut substantially the recommendations made by the Quadrennial Commissioners in their report to me last month. Moreover, I have decided to establish a Career Manager Pay Commission to review and report to me by next August on appropriate pay scales for our elite corps of career Government managers. The pay increases I am proposing to Congress, plus the results of this new Commission, should place Government compensation on a fairer and more comparable footing.

Peace Through Strength

I have become convinced that the only way we can bring our adversaries to the bargaining table for arms reduction is to give them a reason to negotiate—while, at the same time, fulfilling our responsibility to our citizens and allies to provide an envi-

ronment safe and secure from aggression.

We have built our defense capabilities back toward levels more in accord with today's requirements for security. Modest and sustained growth in defense funding will be required to consolidate the real gains we have made. Because of severe fiscal constraints, we are proceeding at a slower pace than I originally planned, and the budget I propose provides the minimum necessary to ensure an adequate defense.

I am also submitting, for the first time, a two-year budget for National Defense. This will permit greater stability in providing resources for our defense efforts and should lead to greater economy in using these resources.

Budget Process Reform

The current budget process has failed to provide a disciplined and responsible mechanism for consideration of the Federal budget. Budget procedures are cumbersome, complex, and convoluted. They permit and encourage a process that results in evasion of our duty to the American people to budget their public resources responsibly. Last year Congress did not complete action on a budget for 8 months and 2 weeks—2 weeks past the statutory deadline. Except for the initial report of the Senate Budget Committee, Congress missed every deadline it had set for itself just 9 months earlier. In the end, Congress passed a year-long, 389-page omnibus appropriations bill full of excessive and wasteful spending. Because Congress had not completed action on the annual appropriations bills, at one point I was compelled by law to initiate a shutdown of Federal Government activities. Such abrogation of a responsible budget process not only discourages careful, prudent legislation—it encourages excessive spending and waste.

Furthermore, since I, as President, do not have a line-item veto, I had to ignore the many objectionable features of the omnibus appropriations legislation and sign it to avoid a Federal funding crisis. I am sure that many Members of Congress do not approve of this method of budgeting the Federal Government.

Last Fall's funding crisis and its slap-dash

resolution are only one of the most obvious manifestations of the flaws in the system. Congress passes budget resolutions (without the concurrence of the President) based on functions; it considers 13 separate, but related, appropriations bills based on agencies, not functions; it develops a reconciliation bill; it passes authorizing legislation, sometimes annually; and it enacts limits on the public debt. The words alone are obscure and confusing; the process behind it is chaotic. The process must be streamlined and made more accountable.

Shortly, I will outline specific reforms designed to make the process more efficient and increase accountability, so that we can give the American people what they deserve from us: a budget that is fiscally responsible and on time.

Conclusion

Looking back over the past 6 years, we can feel a sense of pride and satisfaction in our accomplishments. Inflation has been brought under control. Growth and investment are up, while interest rates, tax rates, and unemployment rates have all come down substantially. A foundation for sustained economic expansion is now in place. Our national security has been restored to more adequate levels. The proliferation of unnecessary and burdensome Federal regulations has been halted. A significant beginning has been made toward curbing the excessive growth of domestic spending. Management of the Government is being improved, with special emphasis on productivity.

Important tasks, however, still remain to be accomplished. The large and stubbornly persistent budget deficit has been a major source of frustration. It threatens our prosperity and our hopes for continued economic growth.

Last year, the legislative and executive branches of Government responded to this threat by mandating gradual, orderly progress toward a balanced budget over the next 4 years. The proposals outlined here achieve the 1988 target while preserving legitimate programs for the aged and needy, providing for adequate national security, devoting more resources to other

high-priority activities, and doing this without raising taxes.

This budget presents hard choices which must be faced squarely. Congress must not abandon the statutory deficit targets of Gramm-Rudman-Hollings. Honoring the provisions and promises of this legislation offers the best opportunity for us to escape the chronic pattern of deficit spending that has plagued us for the past half century. We must realize that the deficit problem is also an opportunity of a different kind—an opportunity to construct a new, leaner, better

focused, and better managed Federal structure supporting a more productive and more competitive America.

RONALD REAGAN

January 5, 1987

Note: Identical messages were sent to Jim Wright, Speaker of the House of Representatives, and George Bush, President of the Senate. Included in the budget submission was a request for a \$4,514,949,000 supplemental appropriation for fiscal year 1987.

Letter to the Speaker of the House of Representatives and the President of the Senate on Executive, Legislative, and Judicial Salaries

January 5, 1987

Dear Mr. Speaker: (Dear Mr. President:)

As required by Section 225 of the Federal Salary Act of 1967, Public Law 90-206, (2 U.S.C. 351 et seq.), the latest Quadrennial Commission on Executive, Legislative, and Judicial Salaries ("Quad Commission") has submitted to me recommendations on salaries for Senators, Representatives, Federal judges, Cabinet officers, and other agency heads, and certain other officials in the executive, legislative, and judicial branches.

The statute requires that, in the budget next submitted after receipt of the report of the Commission, I set forth recommendations for adjustment of these salaries. Pursuant to section 225(i), as amended by section 135 of Public Law 99-190, these recommendations will be effective unless Congress disapproves the recommendations by a joint resolution within 30 days following the transmittal of my budget.

As referred to in my Budget Message, I am recommending increases in executive level pay for offices and positions within the executive, legislative, and judicial branches of the Federal Government. The Quad Commission's report, submitted to me on December 15th, 1986, documented both the substantial erosion in the real level of Federal executive pay which has occurred since 1969 and the recruitment and reten-

tion problems that have resulted, especially for the Federal judiciary. The Commission found that Federal executives and legislators have experienced a decline of over 40 percent in real income since 1969. The Quad Commission is to be commended for its diligent and conscientious effort to address the complicated and complex problems associated with Federal pay levels.

Every one of the Quad Commissions that has met over the past 18 years concluded that a pay increase for key Federal officials was necessary. Each Commission found that pay for senior government officials fell far behind that of their counterparts in the private sector. They also surmised that we cannot afford a Government composed primarily of those wealthy enough to serve. Unfortunately, the last major Quad Commission pay adjustment was in 1977—a decade ago.

In considering the Quad Commission's recommendations, I recognize that we are under a mandate to reduce the Federal deficit and hold the costs of government to an absolute minimum. In this environment, I do not believe that we can overcome the erosion of real income since 1969 of these senior government officials in one step and thus do not believe it would be appropriate

to fully implement the Quad Commission's recommendations at this time.

Accordingly, I have decided to propose a pay increase, but have cut substantially the recommendations made by the Quad Commissioners in their report to me last month. This increase is but the first step in addressing the loss of real income documented by the Quad Commission. In addition to this pay raise, I anticipate submitting another salary recommendation prior to leaving office—in response to the recommendations of the next Quad Commission, which will be appointed and will make its recommendations in 1988. While I cannot pre-judge those recommendations, assuming continued progress toward eliminating the deficit and favorable economic conditions, I would expect to recommend at that time another step toward overcoming that erosion of real income.

Moreover, I have decided to establish a Career Manager Pay Commission to review and report to me by next August on appropriate pay scales for our elite corps of career Government managers—those technically not included in the Quad Commission's mandate. The pay increases I am now proposing to Congress, together with responses to the recommendations of the new Career Manager Pay Commission and the next Quad Commission, are intended to constitute a significant advancement toward placing Government compensation on a fairer and more comparable footing.

Accordingly, pursuant to subparagraphs (A), (B), (C), (D), and (E) of subsection (f) of section 225(h) of Public Law 90-206 (81 Stat. 644):

For the Vice President of the United States	\$115,000
For offices and positions under the Executive Schedule in subchapter II of chapter 53 of title 5, United States Code, as follows:	
Positions at level I	99,500
Positions at level II	89,500
Positions at level III	82,500
Positions at level IV	77,500
Positions at level V	72,500
For the Board of Governors, United States Postal Service	10,000

For Speaker of the House of Representatives	115,000
For the President Pro Tempore of the Senate, majority leader and minority leader of the Senate, and majority leader and minority leader of the House of Representatives	99,500
For Senators, Members of the House of Representatives, Delegates to the House of Representatives, and the Resident Commissioner from Puerto Rico	89,500
For other officers and positions in the legislative branch as follows:	
Comptroller General of the United States	89,500
Deputy Comptroller General of the United States, Librarian of Congress, and Architect of the Capitol	82,500
Public Printer, General Counsel of the General Accounting Office, Deputy Librarian of Congress, and Assistant Architect of the Capitol	77,500
Deputy Public Printer	72,500
For Justices, judges, and other personnel in the judicial branch as follows:	
Chief Justice of the United States ..	115,000
Associate Justices of the Supreme Court	110,000
Judges:	
Circuit Court of Appeals	95,000
Court of Military Appeals	95,000
U.S. District Courts	89,500
Court of International Trade ..	89,500
Tax Court of the United States	89,500
U.S. Claims Court	82,500
Special Trial Judges of the Tax Court	72,500
Bankruptcy Judges	72,500
Director of the Administrative Office of the U.S. Courts	89,500
Deputy Director of the Administrative Office of the U.S. Courts	72,500
U.S. Magistrates (full-time) (maximum)	72,500
U.S. Magistrates (part-time) (maximum)	36,200

Sincerely,

RONALD REAGAN

Note: Identical letters were sent to Jim Wright, Speaker of the House of Representatives, and George Bush, President of the Senate.

Message to the Congress Reporting Budget Rescissions and Deferrals

January 5, 1987

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, including Section 1014, I herewith report 73 new rescission proposals totaling \$5,839,301,314, three new deferrals of budget authority totaling \$28,716,462, and three revised deferrals of budget authority now totaling \$34,850,024.

The rescissions affect programs in the Departments of Agriculture, Commerce, Defense-Military, Defense-Civil, Education, Energy, Interior, Justice, Labor, and Treasury, the Environmental Protection Agency, the National Aeronautics and Space Administration, the Veterans Administration, the Appalachian Regional Commission, the Na-

tional Endowment for the Humanities, and the Selective Service System.

The deferrals affect programs in the Departments of Defense-Civil, Energy, Interior, and State.

The details of these rescission proposals and deferrals are contained in the attached report.

RONALD REAGAN

The White House,
January 5, 1987.

Note: The attachment detailing the proposed rescissions and deferrals was printed in the "Federal Register" of January 9.

Statement by Principal Deputy Press Secretary Speakes on the Iran Arms and *Contra* Aid Controversy

January 5, 1987

During the last week, at the President's direction, administration officials from the national security and foreign policy agencies of government worked with a staff of the Senate Select Committee on Intelligence to make possible the release of a full, declassified staff report of the committee's finding on the Iranian arms sales matter. A declassified version of the staff report, amounting to 150 pages or so, was developed in the process, and we believe it is ready for release to the public. It is the most complete account thus far of how the President's policy concerning Iran was carried out and the most complete compilation of the available facts concerning the alleged diversion of funds to the anti-Sandinista

forces in Nicaragua.

This afternoon, the committee will be meeting to consider whether to release this report. The President urges that the report be released to the public immediately. The administration cooperated fully with the committee during its investigation, fulfilling the President's desire that all of the facts concerning this matter be made available to the American people as promptly as possible. The release of a staff report would be a big step in this direction.

Note: Larry M. Speakes read the statement to reporters at 12:10 p.m. in the Briefing Room at the White House.

Appointment of John David Davenport as a Member of the Federal Retirement Thrift Investment Board

January 5, 1987

The President today announced the appointment of John David Davenport to be a member of the Federal Retirement Thrift Investment Board for a term of 1 year. This appointment is made upon the recommendation of the Speaker of the House of Representatives in consultation with the minority leader of the House of Representatives. This is a new position.

Since 1973 Mr. Davenport has been chairman of the Public Employee Benefit

Service Corp. in Oklahoma City, OK. Previously, he was chairman, Quail Creek National Bank in Oklahoma City, 1977–1983; president and chairman, American Presidents Life Insurance Co., 1968–1971; and president and founder of Davenport-Dillard, Inc., in Washington, DC, 1962–1968.

Mr. Davenport is married, has four children, and resides in Edmond, OK. He was born September 8, 1936, in Wichita Falls, TX.

Proclamation 5596—National Bowling Week, 1987

January 7, 1987

*By the President of the United States
of America*

A Proclamation

Bowling is the largest indoor participation sport in the United States. Some 70 million Americans take part each year, and millions more enjoy this exciting sport on television. Bowling is an excellent form of exercise and recreation for all people regardless of age.

Bowling is one of the oldest sports in the world. People have competed in some form of bowling for thousands of years. Today, many different forms of bowling are played in many cultures throughout the world.

Bowling has long been part of American life. Many immigrants brought different forms of bowling from their homelands. The popularity of the legend of Rip van Winkle shows that bowling has been part of our society since the birth of our country.

The Congress, by Public Law 99–589, has

designated the week beginning January 4, 1987, as “National Bowling Week” and authorized and requested the President to issue a proclamation in observance of this week.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning January 4, 1987, as National Bowling Week. I call upon the people of the United States to observe that week with appropriate observances and activities.

In Witness Whereof, I have hereunto set my hand this seventh day of January, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11 a.m., January 8, 1987]

Appointment of Donald A. Danner as Special Assistant to the President for Public Liaison

January 8, 1987

The President today announced the appointment of Donald A. Danner to be Special Assistant to the President for Public Liaison. He will be in charge of business and economic issues.

Prior to joining the White House staff, Mr. Danner worked for Armco for 18 years. He served in various marketing assignments for a period of 8 years. After lobbying for 3 years in Ohio, he was transferred in 1979 to Armco's Washington office as manager of legislative services. Mr. Danner has wide

experience in the business community and on Capitol Hill.

A 1968 graduate of Purdue University, West Lafayette, IN, Mr. Danner received his B.S. degree in electrical engineering. He received his master's of business administration from Xavier University, Cincinnati, OH, in 1972. Mr. Danner is a native of Ohio and resides in Arlington, VA. He is married to the former Rebecca Marshall. They have three children: Marshall, Michael, and Laura.

Letter to the Speaker of the House of Representatives and the President of the Senate Reporting on the NATO Chemical Deterrent Posture

January 9, 1987

Dear Mr. Speaker: (Dear Mr. President:)

Pursuant to the FY 1986 Department of Defense Authorization Act, P.L. 99-145, Sec. 1411(e), I am reporting to you the results of consultations among North Atlantic Treaty Organization member nations concerning the organization's chemical deterrent posture.

The attached classified report outlines the ongoing consultative process in NATO. I am confident that we are making steady progress, and that with your continued

strong support to fund chemical deterrent and defensive programs, the United States can do its share to strengthen Alliance security.

Sincerely,

RONALD REAGAN

Note: Identical letters were sent to Jim Wright, Speaker of the House of Representatives, and George Bush, President of the Senate.

Appointment of Charles N. Brower as Deputy Special Counsellor to the President

January 9, 1987

The President today announced the appointment of Charles N. Brower to be Deputy Special Counsellor to the President.

Since 1984 Judge Brower has been a Judge of the Iran-United States Claims Tribunal in The Hague, The Netherlands, an

international tribunal composed of independent judges; and since 1985 he has been a member of the board of governors of the American Bar Association. Previously, he practiced law with the firm of White & Case in New York City and Washington,

DC, 1961–1969 and 1973–1984; and from 1969–1973, he served in various positions at the Department of State, including Acting Legal Adviser.

Judge Brower graduated from Harvard

College (B.A., 1957) and Harvard Law School (J.D., 1961), and he was a Fulbright scholar in Germany (1957–1958). He was born June 5, 1935, in Plainfield, NJ.

Proclamation 5597—Martin Luther King, Jr., Day, 1987 *January 9, 1987*

*By the President of the United States
of America*

A Proclamation

In celebrating the birthday of the Reverend Dr. Martin Luther King, Jr., we honor an American who recognized the great injustice of segregation and discrimination, and made it his life's purpose and toil to right those wrongs in favor of justice, freedom, equality, fairness, and reconciliation.

Because Dr. King eschewed violence, relying instead on his eloquence and the moral force of his convictions, the cause he led changed not only laws but hearts and minds as well. He braved imprisonment, violence, and threats because, as he said, "History has proven over and over again that unmerited suffering is redemptive." Martin Luther King, Jr., fell victim to the violence he fought so fervently—but his nonviolent quest had already altered our land irrevocably and for the better.

Dr. King's vision, as he said so often, was the fulfillment of the American dream. He explained this to the graduates of Lincoln University in 1961 when he quoted our Declaration of Independence, "We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness" and said, simply, "This is the dream." Dr. King emphasized that this dream excludes no one from its promise and protection and that it affirms that every individual's rights are God-given and "neither conferred by nor derived from the state."

Martin Luther King, Jr., also expressed his vision in the eternal calls for justice, forgiveness, brotherhood, and love of neighbor

recorded in Holy Writ. He frequently prayed, in the words of the prophet Amos, "Let justice roll down like waters and righteousness like a mighty stream."

Dr. King also appealed clearly and compellingly through moving accounts such as his description of a little girl marching with her mother who answered a policeman's question, "What do you want?" by replying, "Freedom." Said Dr. King, "She could not even pronounce the word, but no Gabriel trumpet could have sounded a truer note."

Every American knows the story of Dr. King's last sermon, given April 3, 1968, the night before his death. He said, expressing his credo, that he wasn't concerned about living a long life but about doing God's will. He'd been to the mountaintop, he said, and he'd seen the promised land. He said that America would reach that land, but added, "I may not get there with you." He concluded, "I'm happy, tonight. I'm not worried about anything. I'm not fearing any man. Mine eyes have seen the glory of the coming of the Lord."

Nearly five years before, Dr. King had spoken words of solace, of reconciliation, and of promise during his eulogy for the children who had died in the bombing of their Sunday school class. He said that we must not despair, nor become bitter, nor lose faith in each other. He said that death does not end the sentence of life but "punctuates it to more lofty significance." He told the children's parents that although their daughters had not lived long, they had lived well: "Where they died and what they were doing when death came will remain a marvelous tribute to each of you and an eternal epitaph to each of them." Surely Dr. King's courageous fight for justice, equality, and

brotherhood will remain his lasting epitaph and his living legacy.

In a sermon on April 4, 1967, a year to the day before his murder, Dr. King quoted the famous lines from the poem, "The Present Crisis," by James Russell Lowell: "Once to every man and nation comes the moment to decide;/ In the strife of Truth with Falsehood, for the good or evil side; . . ." Dr. King did decide for the good, and the measure of his greatness is that his Nation thereupon did likewise.

By Public Law 98-144, the third Monday in January of each year has been designated as a public holiday in honor of the "Birth-day of Martin Luther King, Jr."

Now, Therefore, I, Ronald Reagan, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim Monday, January 19, 1987, as Martin Luther King, Jr., Day.

In Witness Whereof, I have hereunto set my hand this 9th day of January, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:59 a.m., January 12, 1987]

Radio Address to the Nation on the Fiscal Year 1988 Budget *January 10, 1987*

My fellow Americans:

As you may have heard, earlier this week I paid a visit to the hospital for minor surgery. Now my doctors tell me that I'm coming along just fine, and that's exactly how I feel—just fine. Come to think of it, with the approach of the Super Bowl, I can't resist telling you that it won't be long before I'm suited up and back on the playing field. With just 2 years to go in our administration, that makes this the beginning of the fourth quarter. So, take it from an old sportscaster: Don't leave your seats; the game ain't over!

Soon I'll appear before Congress to give my State of the Union Address, outlining our agenda for 1987 and beyond. We saw earlier this week that one part of our agenda, continued economic growth, is already well under way. On Thursday the Dow Jones Industrial Index closed above 2,000 for the first time in history; indeed, the Dow has gone up more in the past 4 years than it did in the previous 20. New figures showed that the Producer Price Index is at an excellent zero percent; while unemployment dropped to just 6.6 percent, the lowest level in nearly 7 years. And with Congress back in town, another part of the agenda, the Federal budget, has already

become an important piece of business here in Washington.

Just this week—a full month earlier than usual—our administration submitted to Congress our proposed budget for 1988. This budget reflects sound policy, both foreign and domestic. Mindful of America's world role on behalf of freedom, the budget calls for a strong and innovative national defense, including full funding for our historic Strategic Defense Initiative. After all, it was our strength, not talk, that led to my meetings with Mr. Gorbachev in Geneva and Reykjavik. In an effort to make our economy more competitive with those of other nations, our budget sets out important steps, including training for dislocated workers, the return to the private sector of certain institutions now owned by the Government, and more funding for research and development. And to set an example for the entire country, I've asked Federal agencies to continue to improve their own productivity.

This budget also reflects what accountants might refer to as sound financial management, but what you and I would call common sense. To begin with, the American people understand that it's hard enough to support a family and make ends meet

without the Government constantly raising taxes. So, this budget contains no tax increase whatsoever—none. Regarding the Federal deficit, our budget calls for prudent cuts in programs that have proven wasteful or are no longer needed—cuts that can be made without harming the poor or elderly. In this way, our budget meets the deficit-reduction goal set out last year in the Gramm-Rudman-Hollings legislation. In other words, this budget will keep the Government on a path of shrinking deficits that would see the Federal budget balanced in just 4 years. In the less than 1 week since we submitted this budget, some in Congress have already begun fumbling in the backfield. There are constant charges that the Federal deficits are somehow the fault of our administration. If Congress had approved reductions we have asked for, the deficit today would be dramatically smaller. During the past 5 years, Congress appropriated almost \$67 billion more than I requested for domestic discretionary programs.

Now, there's another point to be made here, perhaps even more important. In the past two decades, defense spending—the Federal Government's first responsibility—has fallen as a proportion of our gross national product, while domestic spending in real terms has nearly doubled, pushing total Federal spending as a proportion of the gross national product from under 20 per-

cent in 1967 to almost 24 percent today. In other words, big government has been claiming more and more of the goods and services produced by your own hard work. In the words of a recent Wall Street Journal article, those in Congress who want big government to get even bigger "are asking the public to ratify, finally and conclusively, the rising domestic spending levels Congress has legislated . . . a process that every Reagan budget has attempted to reverse." Almost as if to illustrate this point, in the 4 days that Congress has been in session, it has already considered a huge budget-busting water and sewage treatment bill that would cost \$18 billion.

Our administration remains ready to work with Congress in fashioning this budget, in particular to consider any budget proposal that meets the three basic requirements of a strong national defense, a shrinking Federal deficit, and no tax increase. But I have to be frank: If the big spenders want a fight on the budget, they'd better strap on their helmets and shoulder pads. In this fourth and final quarter, I'm determined to go out there and win one for the American people and, yes—and one for the Gipper.

Until next week, thanks for listening. God bless you.

Note: The President spoke at 12:06 p.m. from the Map Room at the White House.

Statement on the Soviet-United States Nuclear and Space Arms Negotiations

January 12, 1987

I met today with Ambassadors Max Kampelman, Maynard Glitman, and Ronald Lehman, our negotiators at the nuclear and space talks (NST), which resumed on January 15 with the opening of round seven in Geneva. I took this opportunity to emphasize once again to Ambassador Kampelman, our head of delegation, and our other negotiators my full confidence in them and the very high priority which I continue to attach to the achievement of deep, equitable, and effectively verifiable reductions in

the U.S. and Soviet nuclear arsenals. Such reductions would reduce the risk of war and make a major contribution to our efforts to build a safer world.

As this new negotiating round approaches, it is important to take a clear-eyed, objective look at where we are on the long and difficult road to real arms reduction agreements with the Soviet Union. Our longstanding commitment to a more secure U.S.-Soviet strategic relationship—one with far lower levels of nuclear arms—goes

beyond mere words. We have taken a series of concrete steps in our efforts to move closer to this goal. Most recently, our negotiators in the last round tabled new U.S. proposals which reflect the areas of agreement General Secretary Gorbachev and I reached during our October meeting at Reykjavik as well as other new U.S. proposals. These areas of agreement, which reflect our progress at Reykjavik, include:

- reductions in strategic nuclear delivery vehicles to 1,600 for each side, with no more than 6,000 warheads on these delivery vehicles;
- an interim equal global limit of 100 warheads on longer range U.S. and Soviet INF missiles, with no such missiles in Europe;
- the need for significant cuts in Soviet heavy ICBM's; and
- the need for effective verification of agreements implementing such reductions.

In an effort to meet expressed Soviet concerns, the United States also proposed at Reykjavik that neither the United States nor U.S.S.R. deploy advanced strategic defenses through 1996, while conducting research, development, and testing which are permitted by the ABM treaty. This would be coupled with agreement that during the first 5 years of this period U.S. and Soviet strategic offensive arms would be reduced by 50 percent; that during the second 5 years all remaining U.S. and Soviet offensive ballistic missiles of all ranges and armaments would be eliminated; and that at the end of 1996 either side would have the right to deploy advanced defenses, unless the parties agreed otherwise. We have since tabled this new proposal, as well, in Geneva.

In December our negotiators went to Geneva for informal meetings with their Soviet counterparts as part of preparations for round seven. During these informal talks there was no narrowing of differences, although limited progress was made in clarifying some points of agreement between the two sides. The Soviets seemed more interested, at times, in conducting an arms control public relations campaign than in the hard give and take of the confidential negotiating process. Unfortunately, since

Reykjavik, Soviet actions to move forward on arms control have not matched our own; indeed, the Soviets sometimes seem to be moving in the other direction. For example, they have backtracked from some of the important points on which Mr. Gorbachev and I reached agreement at Reykjavik.

Furthermore, at Reykjavik they reintroduced their demand that progress in every area of nuclear arms control must be linked together in a single package. This new linkage represents a major step backwards from the agreement Mr. Gorbachev and I made at our summit meeting in Geneva in November 1985 to pursue negotiations in areas where there was already common ground, including the principle of 50-percent reductions in strategic nuclear arms and an interim agreement on INF. This renewed Soviet attempt to hold progress in INF and other areas of arms control hostage to acceptance of the longstanding Soviet effort to cripple our SDI program is unacceptable to the United States and our allies, and we have made this crystal clear to the Soviet Union. Due to the strategic threat posed to the United States and our allies by the continuing Soviet offensive buildup and the extensive and longstanding Soviet programs in strategic defense, it is vital to the future security of the West that the SDI program proceed as expeditiously as possible.

The United States is ready to move forward in this new round. With the solid support of our allies and the continued support of the Congress and the American people, we will seek every opportunity to make meaningful progress towards real arms reductions. If the Soviet Union will return to Geneva with dedication equal to our own, I firmly believe the areas of progress which we have already identified can serve as the starting point from which United States and Soviet negotiators can achieve, for the first time in history, agreements on deep, equitable, and effectively verifiable reductions in our respective nuclear arsenals. Let us hope, therefore, that the Soviets will come to Geneva ready to move with us toward such historic agreements.

As I have said before, real nuclear arms reductions are within our grasp if the Soviet

Union will join us in the serious pursuit of agreements which are equitable and stabilizing for both sides and in the interest of the entire world. There is much hard work ahead and many problems remaining, but

we will leave no stone unturned in our search for this kind of agreement. The United States is ready; I hope the Soviets are as well.

Appointment of Marlin Fitzwater as Assistant to the President for Press Relations

January 12, 1987

The President today announced his intention to appoint Marlin Fitzwater to be Assistant to the President for Press Relations effective upon the departure of Larry Speakes. He will serve as spokesman for the President.

Mr. Fitzwater has been Press Secretary and Assistant to Vice President Bush since April 1, 1985. Before joining the Vice President, Mr. Fitzwater was Special Assistant to President Reagan and Deputy Press Secretary for Domestic Affairs from September 1, 1983, to April 1985. Mr. Fitzwater served as Deputy Assistant Secretary for Public Affairs at the Department of the Treasury from 1981 to 1983. In recognition of his service he was awarded the Meritorious Executive Award by President Reagan in 1982. Previously he served in the Office of

Public Affairs at the Environmental Protection Agency in 1972–1981. He served in the Office of the Secretary of Transportation in 1970–1972 as speechwriter for Secretary John Volpe and at the Appalachian Regional Commission in 1965–1967. Mr. Fitzwater was an advertising executive with the Manhattan (KS) Mercury and correspondent for the Topeka (KS) Capitol-Journal in 1962–1965. He was editor of the Lindsburg (KS) News-Record in 1962 and worked for the Abilene (KS) Reflector-Chronicle.

He graduated from Kansas State University (B.A., journalism, 1965) and served in the U.S. Air Force. He was born November 24, 1942, in Salina, KS. He has two children, Bradley and Courtney, and resides in Alexandria, VA.

Nomination of Edward J. Derwinski To Be an Under Secretary of State

January 12, 1987

The President today announced his intention to nominate Edward J. Derwinski to be Under Secretary of State for Coordinating Security Assistance Programs. He would succeed William Schneider, Jr.

Since 1983 Mr. Derwinski has been Counselor of the Department of State. Previously he was a Member of the House of Representatives, 1959–1983, and served as a member of the House Committee on Foreign Affairs since 1963. While a Member of

Congress, he served as a congressional representative on the Council of the Interparliamentary Union and as Chairman in 1971–1972 and 1979–1980 and as a delegate with the rank of Ambassador to the United Nations for the 1971 General Assembly.

Mr. Derwinski graduated from Loyola University (B.S., 1950). He is married, has two children, and resides in Arlington, VA. Mr. Derwinski was born September 15, 1926, in Chicago, IL.

Nomination of Max M. Kampelman To Be Counselor of the Department of State

January 12, 1987

The President today announced his intention to nominate Max M. Kampelman to be Counselor of the Department of State. He would succeed Edward J. Derwinski.

Ambassador Kampelman currently serves as Ambassador to the U.S. Office for Arms Reduction in Geneva, Switzerland, and as head of the United States delegation to the negotiations on nuclear and space talks. He will return to Geneva for the continuation of the talks, which resume on January 15. In addition to his current diplomatic assignment, Ambassador Kampelman is a trustee of the Woodrow Wilson International Center for Scholars, where he previously served as chairman. He was a partner in the law firm of Fried, Frank, Harris, Shriver &

Kampelman until his retirement in 1985. Previously, he served as Ambassador and head of the U.S. delegation to the Conference on Security and Cooperation in Europe, in Madrid, Spain, 1980-1983; senior adviser to the U.S. delegation to the United Nations, 1966-1967; legislative counsel to U.S. Senator Hubert Humphrey, 1949-1955; and he was a professor of political science at the University of Minnesota, 1946-1948.

Ambassador Kampelman graduated from New York University (A.B., 1940; J.D., 1945) and the University of Minnesota (M.A. and Ph.D.). He is married, has five children, and resides in Washington, DC.

Message to the Senate Urging Ratification of Two Treaties Limiting Soviet-United States Nuclear Testing

January 13, 1987

To the Senate of the United States:

Two treaties between the United States of America and the Union of Soviet Socialist Republics on (1) the Limitation of Underground Nuclear Weapon Tests, and the Protocol thereto, known as the Threshold Test Ban Treaty (TTBT) signed in Moscow on July 3, 1974, and (2) Underground Nuclear Explosions for Peaceful Purposes, and the Protocol thereto, known as the Peaceful Nuclear Explosions Treaty (PNET) signed in Washington and Moscow on May 28, 1976, were transmitted to the Senate by President Ford on July 29, 1976 with a view to receiving advice and consent to ratification. (Senate Executive N, 94th Cong., 2d Sess.) Although hearings were held a year later, the Senate itself has not acted on the treaties. I ask the Senate to consider these important treaties anew in light of developments that have taken place over the last decade.

On August 14, 1986, I transmitted to the

Congress a comprehensive study which stated U.S. national security concerns as well as our views on necessary verification improvements to the TTBT and the PNET, in response to the requirements of Section 1003 of the FY 1986 Department of Defense Authorization Act (P.L. 99-145). I am enclosing a copy of this study and commend it to your attention.

The security of the United States and the entire free world, today and for the foreseeable future, depends on the maintenance of an effective and credible nuclear deterrent by the U.S. This is a considerable challenge, in light of continuing efforts by the Soviet Union to undercut the effectiveness of our deterrent. With the support of Congress we have succeeded in meeting this challenge, and together we must continue to do so in the future.

Today I am requesting per my October 10, 1986 letter that the Senate give advice

and consent, subject to the condition set out below, to two pending treaties that have significant implications for Western security: the TTBT and PNET. These treaties have the common purpose of limiting individual nuclear explosions to no more than 150 kilotons. The TTBT, which prohibits nuclear weapon tests above 150 kilotons, places significant constraints on the efforts we may undertake in the U.S. nuclear test program to respond to Soviet nuclear and non-nuclear activities aimed at undercutting our deterrent. Hence, it is imperative that we have the necessary provisions that will make the TTBT effectively verifiable and thus assure ourselves that the Soviet Union is fulfilling its obligations and is thereby equally constrained.

Unfortunately, as I have frequently stated and the enclosed study makes clear, the TTBT and PNET are not effectively verifiable in their present form. Large uncertainties are present in the current method employed by the United States to estimate Soviet test yields. I have on several occasions reported to the Congress on the problems with Soviet compliance with the TTBT. Therefore, achieving Soviet agreement to improved verification measures that would provide for effective verification of these treaties has been my highest priority in the area of nuclear testing limitations.

As I stated in my March 14, 1986 letter to General Secretary Gorbachev, effective verification of the TTBT and PNET requires that we reduce the current unacceptable level of uncertainty in our estimates of the yields of nuclear tests. Indeed, leaders in previous Congresses have shared my view that the present large degree of uncertainty in such estimates is unacceptable, as well as my desire for sharp improvements. In this regard, we require—and have conveyed to the Soviets that we require—effective verification through direct, on-site hydrodynamic yield (CORRTEX) measurement of all appropriate high-yield nuclear detonations. Further, I informed General Secretary Gorbachev that, if the Soviet Union would agree to essential verification procedures for the TTBT and the PNET, I would then be prepared to request the advice and consent of the Senate to ratification of the treaties. Ratification of the treaties without

such provisions would be contrary to the national security interests of the United States.

As written, the TTBT relies solely on teleseismic detection and yield measurement systems and on inadequate, and unverifiable data exchange. The Soviet Union has apparently had problems in correctly assessing the yields of U.S. nuclear tests. Despite our best efforts, the Soviet Union has so far not accepted our practical proposal for achieving the necessary verification improvement of the TTBT and the PNET. We have not yet found any alternative approach which equals the effectiveness of CORRTEX—we are striving to achieve a yield-estimation accuracy of about 30 percent by this method. We have, nonetheless, advised the Soviets, at three Geneva nuclear testing experts meetings in 1986, that the U.S. is willing to consider any other direct yield measurement method the Soviets might propose, provided it is at least as capable (in terms of accuracy and non-intrusiveness) as CORRTEX. To date, they have not been forthcoming in proposing or explaining alternative verification techniques that would meet our requirements.

Recognizing the role of the Senate in the ratification process, I am therefore requesting that the Senate give its advice and consent to ratification of the TTBT and the PNET, subject to a condition in the following form:

"The Senate's Resolution of advice and consent to ratification is subject to the condition that the President shall not proceed with ratification of the Treaty on Limitation of Underground Weapon Tests and the Treaty on Underground Nuclear Explosions for Peaceful Purposes until the President has certified to the Senate that the Union of Soviet Socialist Republics has concluded with the United States additional agreements expanding upon the obligations stated in Article II of the Treaty on Limitation of Underground Weapon Tests and including provisions for direct, accurate yield measurements taken at the site of all appropriate nuclear detonations so that the limitations and obligations of these treaties, *inter alia* the 150 kiloton limit, are effectively verifiable, and until such agreements

have been submitted to the Senate, and the Senate has advised and consented to their ratification.”

I am hopeful we can reach an agreement with the Soviet Union which will allow me to certify that the treaties are effectively verifiable. I will be prepared to ratify the TTBT and the PNET at such time as the condition cited above has been fulfilled.

Further, I informed the General Secretary in Reykjavik that, once our verification concerns have been satisfied and the treaties have been ratified, and in association with a program to reduce and ultimately eliminate all nuclear weapons, I would propose that the United States and the Soviet Union immediately engage in negotiations on ways to implement a step-by-step paral-

lel program of limiting and ultimately ending nuclear testing.

The steps in this program would take into account our long-standing position that a comprehensive test ban is a long-term objective which must be viewed in the context of a time when we do not need to depend on nuclear deterrence to ensure international security and stability, and when we have achieved broad, deep, and verifiable arms reductions, substantially improved verification capabilities, expanded confidence-building measures, and greater balance in conventional forces.

RONALD REAGAN

The White House,
January 13, 1987.

Proclamation 5598—Shays’ Rebellion Week and Day, 1987 *January 13, 1987*

*By the President of the United States
of America*

A Proclamation

This year, Americans celebrate the bicentennial of many events relating to the drafting of our Constitution. One of those events was Shays’ Rebellion.

After the War of Independence, Americans continued to live under the Articles of Confederation. Problems of economic recovery and sluggish international trade clouded the horizon. In this climate of economic difficulties and the recent memory of a bitter struggle for freedom, Shays’ Rebellion took place.

Unlike many other States, Massachusetts had not passed debt relief laws. In the fall of 1786, some Massachusetts debtors tried to stop court-ordered confiscation of land and property by using force to prevent the courts from sitting. Governor Bowdoin responded by calling out the State militia and asking other States for help.

Although the Continental Congress lacked the power and resources to assist, the uprising eventually was suppressed. On January 25, 1787, Daniel Shays, a captain during the Revolution, led a group of debt-

ors who sought to stop the State Supreme Court from meeting. They attacked the courthouse at Springfield and the Federal arsenal. The State militia repelled this assault, and soon the uprising was over. A new State legislature granted some of the insurgents’ demands and pardoned or gave lenient sentences to their leaders. This judicious policy and the return of prosperity soon restored harmony in Massachusetts.

Thomas Jefferson believed that the rebels’ activities were motivated by “ignorance, not wickedness.” He pointed out that the majority of the people of Massachusetts had sided with the government, and he concluded that “the good sense of the people will always be found to be the best army.” Although many Americans were satisfied with the Articles of Confederation and were wary of a strong central government, Shays’ Rebellion did give impetus to the Federalists’ call for the establishment of what George Washington termed “a more efficient general government.”

At the Annapolis Convention of 1786, Federalists had publicized commercial disputes among the States. Now they cited the insurgency to bolster their claim that a Fed-

eral charter was needed in place of the Articles of Confederation. On February 21, 1787, the Continental Congress called for a Constitutional Convention in Philadelphia in May to amend the Articles. Fresh in the minds of the assembled delegates, Shays' Rebellion was to have a profound and lasting effect on the framing of our Constitution and on our subsequent history.

To recognize the influence of Shays' Rebellion on the movement for our Federal Constitution, the Congress, by Public Law 99-629, has designated the week beginning January 19, 1987, as "Shays' Rebellion Week" and Sunday, January 25, 1987, the two hundredth anniversary of the defense of Springfield, as "Shays' Rebellion Day" and authorized and requested the President to issue a proclamation in observance of this

event.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning January 19, 1987, as Shays' Rebellion Week and Sunday, January 25, 1987, as Shays' Rebellion Day. I call upon all Americans to observe these occasions with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this thirteenth day of January, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:52 a.m., January 14, 1987]

Address to High School Students on Martin Luther King, Jr.'s Birthday

January 15, 1987

Greetings. One of the joys of my current job has been getting to know America's young people. I've met you here at the White House, and everywhere I've traveled throughout this land—on campuses, in churches, on military bases—young people were there. Your idealism and confidence, your gusto for life, have been an energy source this not-so-young President has been able to tap. I'm proud of each of you and share your desire to ensure that when you're ready to make your mark—and that won't be many years from now—that our country is the free and opportunity land that God intended her to be.

I appreciate this chance to speak with you on this special day, the birthday of a man who contributed so much to our way of life. In a few days we'll be honoring his memory with a national holiday, a day for all citizens of all races to reflect on the legacy of Dr. Martin Luther King, Jr. I hope each of you will take the time to do just that. His memory should serve not just as an inspiration to black Americans but to each and every one of us to stand firm for

our principles and to strive to better ourselves and our country. Martin Luther King, Jr., was born on January 15, 1929, in Atlanta, Georgia, the son of a Baptist minister. He never reached his 40th birthday, yet during his short life span he touched the lives of every American and helped dismantle the legal vestiges of discrimination and racism. He was committed to seeing that our nation lived up to its promise of liberty and justice for all. Ours is a better country today; each of you has more potential, more opportunity, because of the hard work and courage of one remarkable individual.

To me, and probably to your parents, Dr. King is a vivid memory. However, to many of today's high school students he may be little more than a prominent person mentioned in history books. Well, not many of those people described in your history books have national holidays in their memory. Only two other Americans, Washington and Lincoln, are so honored. And just to set the record straight, I may be old, but there's no truth to the story that Abe

Lincoln and I walked to school together back in Illinois. Seriously though, Lincoln may have been before my time, but I do remember Dr. King. Even those who had disagreements with Dr. King now recognize that the changes he helped bring about were right and, in the long run, made our country stronger. But the cleansing process is not easy. We needed such an individual to mobilize our people and organize a movement that would touch the conscience of our nation.

Today the job that Martin Luther King, Jr., started is ours to finish. We're counting on you, the young people of the United States, to have the courage and commitment to do what is right. As recent unfortunate events have demonstrated, we cannot be complacent about racism and bigotry. And I would challenge all of you to pledge yourselves to building an America where incidents of racial hatred do not happen, because racism has been banned not just from the law books but from the hearts of the people. You should accept nothing less than making yours a generation free of bigotry, intolerance, and discrimination. If I might be presumptuous enough to offer this suggestion: A good place to start, a tangible contribution each of you can make, is to be totally intolerant of racism anywhere around you. If someone, even a friend, uses an ugly word referring to another's race or religion, let's make it clear we won't put up with it. Racial, ethnic, or religious slurs are vulgar, mean spirited; and there is no place for them in a democratic and free America.

The future of this great country is certainly in your hands. Your leadership and moral standards will determine if the U.S.A. continues to serve as a beacon of hope and opportunity to all mankind. In a democracy like ours, it's not enough just to believe in something; we must get involved and speak out. Dr. King was one such citizen who spoke out, and he did it with such moral conviction that the whole Nation heard his plea. It was 24 years ago when he made one of the great orations of this or any century. I hope each of you've had a chance to hear this historic address. No one in political life could help but admire the talents and dedication of this man when, on the steps of the Lincoln Memorial, before a

rally of over 250,000, he so eloquently spoke of his dream. He spoke of a dream that one day the sons of slaves and the sons of slaveowners might sit down at the table of brotherhood.

I couldn't help but think of that speech when I read about a unique gathering that took place in North Carolina. You may have read about it, too. Last August there was a reunion of people, white and black, who trace their ancestry to the Somerset Plantation, near Creswell, North Carolina. The memory of the evil that once was slavery was not and should not be forgotten. But for that day, as Dr. King dreamed, the descendants of slaves and of slaveowners broke bread and had fellowship together, showing the rest of us what good will is all about. The descendants of those families of Somerset have made many contributions to America—some in the quiet way of raising families and building their communities; others, like Clarence Blount, the majority leader of the Maryland State senate, made a mark in government service. There were those who did well in business; others were ministers, lawyers, or school principals. Some served in the military, side by side with the descendants of slaves and slaveowners; together they protected our country against foreign threats. And that's why freedom for all is so important. It unleashes the best in each of us. Limiting the rights of any citizen is limiting America.

Martin Luther King, Jr., helped tear down the institutions of racism that remained from the days of slavery—institutions that unconscionably limited black Americans, preventing them from achieving their best. He helped open doors that were bolted and pushed aside roadblocks to personal advancement. We still must remain vigilant that government policies do not intentionally or unintentionally stand in the way of the upward mobility of any citizen. Here again, this isn't just a job for government; it's a job for you. As young people, you can honor Dr. King today by making certain you try your hardest to take advantage of the great opportunities available to you. Certainly that includes being diligent in your studies, but it also means saying no to drugs and keeping clear of

other temptations that will undermine your future.

I don't feel as if I can speak for him, but I'm certain Dr. King would also be proud of anything you do to reach out to others who might need some help in getting ahead. I hope each and every one of you will get involved in at least one project that helps others. There are clubs and associations, at school or church, which offer all of us a way to do some good. You may be surprised that by helping others you'll find how much you're also helping yourself by building your confidence and meeting wonderful people. One person I know who agrees with this is Bill Cosby. He's been so successful and has so much, yet he still thinks of others. Last month he gave a substantial contribution to Fisk University, one of America's historically black colleges. His generosity, his caring, is one of the things that makes him someone we admire, and not just for his talent. We all can't give as much as Bill Cosby, but there's something each one of us can contribute to our school, our community, to others in need. The students at Byng High School in Ada, Oklahoma, have a motto: "How do I know I can't accomplish my goals until I try." I think that's a bit of wisdom that all of us in and out of school should always remember.

I'd like to leave you on this special day with a story about a friend of mine who exemplifies the concern and the can-do spirit we're talking about. His name is Bill Lucas. Bill's parents died when he was a child, and he was raised in Harlem by a

loving aunt who cared for him as her own. When he was in school his track team was up for the championship, and he was representing the team in the 3-mile race. On the first lap around the track he lost a shoe. Now, other runners might have quit. Bill kept going and finished that race with a foot bloody and torn, but he came in third. And those extra points for third place, added to the rest of the team's score, were just enough to win the championship for his school. Later in life this same spirit helped this man from such a humble background to go on and accomplish great things. He was a teacher, an investigator for the Civil Rights Commission, an FBI agent, and the executive officer of one of the largest counties in the United States. Last year he was a candidate for Governor of Michigan. And although he didn't win and become Michigan's first black Governor, Bill keeps moving ahead, doing his very best. And I can tell all of you, if America is a land of champions, it's because of people like Bill Lucas and because of people like you.

Today is Martin Luther King, Jr.'s birthday. Let us honor him by living the kind of lives that will make this dream—his dream—a reality. I appreciate this chance to speak with you. I wish you all the very best. Thank you, and God bless you.

Note: The President spoke at 2 p.m. from the Oval Office at the White House. His remarks were broadcast by the Public Broadcasting Service to schools throughout the Nation.

Appointment of Ronald Keith Sable as Special Assistant to the President for Legislative Affairs

January 16, 1987

The President today announced the appointment of Ronald Keith Sable as Special Assistant to the President for Legislative Affairs.

Mr. Sable has served since September 1985 as Special Assistant to the President for National Security Affairs and Senior Director of Legislative Affairs for the National

Security Council. Previously he served as assistant to Kenneth M. Duberstein, Assistant to the President for Legislative Affairs. Prior to that time, Mr. Sable served as Chief of Air Operations, Office of the Secretary of the Air Force, 1979–1982; and Air Force advance agent for Presidential travel, 1974–1978. Mr. Sable, a commercial and military

pilot, is retired from the Air Force (colonel). He graduated from Iowa Wesleyan College (B.S., 1963), Southern Illinois University (M.S., international relations, 1975), and the Harvard University program in international security affairs. He is a recipient of the Valley Forge Freedom Foundation's George Washington Honor Medal, Defense Superior

Service Medal, Distinguished Flying Cross, Meritorious Service Medal, Air Medal, and the Iowa Wesleyan College Distinguished Alumnus Award.

Mr. Sable is married, and he has one child. He was born on May 8, 1941, in Farmington, IA, and currently resides in Alexandria, VA.

Appointment of Bryce L. Harlow as Special Assistant to the President for Legislative Affairs

January 16, 1987

The President today announced the appointment of Bryce L. Harlow as a Special Assistant to the President for Legislative Affairs.

Mr. Harlow has served as Associate Director of the Office of Management and Budget for Legislative Affairs since October 1985. Previously he had served as Special Assistant to the President for Legislative Affairs, beginning in February 1985. Mr. Harlow was Director of the Office of Congressional Relations at the Federal Trade Commission (FTC) from October 1981 until

his 1985 appointment. He was Special Assistant to the Administrator and Acting Director of the Office of Legislation of the Environmental Protection Agency from January 1981 until joining the FTC. He was director of governmental relations for the Grocery Manufacturers of America, Inc., from 1976 to 1981.

He graduated from George Washington University (B.A., 1971). He is married, has two children, and resides in Vienna, VA. He was born January 21, 1949, in Oklahoma City, OK.

Proclamation 5599—National Sanctity of Human Life Day, 1987

January 16, 1987

*By the President of the United States
of America*

A Proclamation

In 1973, America's unborn children lost their legal protection. In the 14 years since then, some twenty million unborn babies, 1.5 million each year, have lost their lives by abortion—in a nation of 242 million people. This tragic and terrible toll continues, at the rate of more than 4,000 young lives lost each day. This is a shameful record; it accords with neither human decency nor our American heritage of respect for the sanctity of human life.

That heritage is deeply rooted in the hearts and the history of our people. Our

Founding Fathers pledged to each other their lives, their fortunes, and their sacred honor in the Declaration of Independence. They announced their unbreakable bonds with its immutable truths that "all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness." Americans of every succeeding generation have cherished our heritage of God-given human rights and have been willing to sacrifice for those rights, just as our Founders did.

Those rights are given by God to all alike. Medical evidence leaves no room for doubt that the distinct being developing in a mother's womb is both alive and human.

This merely confirms what common sense has always told us. Abortion kills unborn babies and denies them forever their rights to "Life, Liberty and the pursuit of Happiness." Our Declaration of Independence holds that governments are instituted among men to secure these rights, and our Constitution—founded on these principles—should not be read to sanction the taking of innocent human life.

A return to our heritage of reverence and protection for the sanctity of innocent human life is long overdue. For the last 14 years and longer, many Americans have devoted themselves to restoring the right to life and to providing loving alternatives to abortion so every mother will choose life for her baby.

We must recognize the courage and love mothers exhibit in keeping their babies or choosing adoption. We must also offer thanks and support to the millions of Americans who are willing to take on the responsibilities of adoptive parents. And we must never cease our efforts—our appeals to the legislatures and the courts and our prayers to the Author of Life Himself—until infants before birth are once again afforded the same protection of the law we all enjoy.

Our heritage as Americans bids us to respect and to defend the sanctity of human life. With every confidence in the blessing of God and the goodness of the American people, let us rededicate ourselves to this solemn duty.

Now, Therefore, I, Ronald Reagan, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim Sunday, January 18, 1987, as National Sanctity of Human Life Day. I call upon the citizens of this blessed land to gather on that day in homes and places of worship to give thanks for the gift of life and to reaffirm our commitment to the dignity of every human being and the sanctity of each human life.

In Witness Whereof, I have hereunto set my hand this 16th day of January, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 4:37 p.m., January 16, 1987]

Statement by Deputy Press Secretary for Foreign Affairs Howard on the Kidnaping of President León Febres-Cordero Ribadeneyra of Ecuador

January 16, 1987

The United States Embassy in Quito, Ecuador, has confirmed that Ecuadoran President León Febres-Cordero is being held hostage by elements of the Ecuadoran Air Force. One of the pillars of this administration's foreign policy is to support democratic governments and democratic processes in Latin America.

The administration is deeply disturbed by

the developments that threaten constitutional and democratic rule in Ecuador. We strongly urge that the democratically elected President of Ecuador be immediately released and unconditionally allowed to resume his constitutional duties.

Note: President Febres-Cordero was released by his captors later that day.

Radio Address to the Nation on the Defense Budget *January 17, 1987*

My fellow Americans:

Today I'd like to begin with an expression of gratitude to all who sent get-well cards and letters after my brief hospital stay 9 days ago. Of course, some of my favorites came from young people. Eight-year-old Colin MacDonald, of Holbrook, New York, told me that he liked my speeches—except when they preempted his favorite TV shows. And second-grader Jennifer Carl, of Canton, Ohio, was kind enough to draw a picture of me in bed, Nancy standing at my side, serving me a bowl of—well, of purple soup. Nancy wants the recipe. Jennifer, it's true that my doctors insist I stay home and take it easy for the next several weeks—which I will—but I want you to know that I'm out of bed, feeling fine, and looking forward to getting back on a full schedule. Jennifer, Colin, and to all of you, Nancy and I extend our heartfelt thanks.

But to get down to business: This week I met our arms negotiating team, headed by Max Kampelman, before they returned to Geneva to begin a new round of talks with the Soviets. We discovered that all of us shared a sense of anticipation; a feeling that after Reykjavik, where Mr. Gorbachev and I found new areas of agreement, the prospects for genuine arms reductions were better than at any time in years. And we agreed that underlying these hopes for progress toward a lasting world peace—underlying, indeed, the Soviets' return to the bargaining table—was the knowledge that, at last, the United States could once again deal with the Soviet Union from a position of strength.

Think back just 6 years: Our Navy had dwindled from more than 1,000 ships to less than 500. Many of our planes couldn't fly for lack of spare parts. And our men and women in uniform were seeing their pay in real terms shrink while pay in the private sector rose. Well, I believed on first taking office, as I do today, that the defense of this Republic is not just one of the duties of the Federal Government, it is the first duty. So, with bipartisan congressional support, we

took action at once on the rebuilding of our nation's defenses. Since 1980 we've increased the number of Army divisions from 16 to 18. We've reactivated 4 battleships and purchased 124 new ships for the Navy, including 2 new aircraft carriers and 21 high-technology Aegis-class cruisers and destroyers. We've purchased over 2,500 new tactical fighter aircraft. And just as important, we've more than doubled our vital stocks of spare parts and munitions, stocks that were dangerously low in 1981. Pay and benefits for our Armed Forces has increased substantially. And perhaps most heartening, the proportion of recruits holding high school diplomas has risen from less than 70 percent in 1980 to more than 90 percent today.

At the same time we've been spending the needed funds, we've found important new ways to spend that money better. The Defense Department, for example, has greatly expanded competitive bidding and is this year submitting to Congress the first-ever 2-year defense budget to replace the old, inefficient, year-by-year process. Add to these the changes contained in last year's Goldwater-Nichols legislation, and those set in place at the recommendation of the Packard commission, and you have perhaps the most dramatic defense reforms since the formation of the Department of Defense itself. All of this is having a profound effect. Morale in our Armed Forces has soared. All the world has taken note that the United States has reasserted its role on behalf of freedom. And in the past 6 years, not 1 inch of territory has fallen to Communist aggression; while one nation, Grenada, has been set free.

Now Congress and our administration have the opportunity to continue the vital work of rebuilding our defenses, already so well begun. But I must tell you that we cannot take continued progress for granted. In 1985 and '86 Congress cut the defense budget sharply. Needless to say, we hope that won't happen again. But with up-down, up-down funding, it does look as though

some want to turn the Congress' defense budget into a kind of crazy roller coaster. Yet this up-down funding is inefficient and costly, taking money out of the taxpayers pockets. And there could be no thrill in going downhill very fast when what would be going down would be our ability to defend itself. So, I appeal to Congress: In the days ahead, let's work together to provide 2-year defense funding that is both adequate and steady. And I appeal to you,

the American people: Join me in letting Congress know that nothing matters more than our freedom and peace. And therefore, the new strength America has achieved in recent years must not be undermined, but built upon.

Until next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from Camp David, MD.

Message to the Senate Transmitting the International Wheat Agreement, 1986

January 20, 1987

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Wheat Trade Convention and Food Aid Convention constituting the International Wheat Agreement, 1986, opened for signature at the United Nations Headquarters, New York, from May 1 through June 30, 1986. The Conventions were signed by the United States on June 26, 1986. I transmit also, for the information of the Senate, the report of the Department of State with respect to the Conventions.

The Wheat Trade Convention, 1986, replaces the Wheat Trade Convention, 1971, and maintains the framework for international cooperation in wheat trade matters. It also continues the existence of the International Wheat Council.

The Food Aid Convention, 1986, replaces

the Food Aid Convention, 1980, and renews commitments of donor member states to provide minimum annual quantities of food aid to developing countries.

The United States is continuing to participate provisionally in the International Wheat Council and Food Aid Committee. The Council and the Committee have granted the United States an extension of time, through June 30, 1987, to deposit instruments of ratification.

It is my hope that the Senate will give early and favorable consideration to the two Conventions, and give its advice and consent to ratification so that ratification by the United States can be effected and instruments of ratification deposited no later than June 30, 1987.

RONALD REAGAN

The White House,
January 20, 1987.

Message to the Congress Transmitting a Report on United States Aeronautics and Space Activities for 1985

January 20, 1987

To the Congress of the United States:

I am pleased to transmit this report on the activities and accomplishments of the

United States in aeronautics and space during calendar year 1985. Fourteen departments and agencies of the Federal gov-

ernment contributed to the report, but the National Aeronautics and Space Administration (NASA) and the Department of Defense (DOD) were the major participants. The report is provided in accordance with Section 206 of the National Aeronautics and Space Act of 1958, as amended (42 U.S.C. 2476).

During 1985, the Nation's activities in aeronautics and space continued to provide significant benefits. The basis for future space missions has expanded by acquiring new scientific knowledge about the solar

system and the physical and life sciences; processing materials and manufacturing new products in space that have commercial potential; and intensifying the concentration of aeronautical research and development programs in potentially high-payoff technologies that will allow the United States to maintain a technological advantage in international competition.

RONALD REAGAN

The White House,
January 20, 1987.

Proclamation 5600—National Safe Boating Week, 1987 *January 20, 1987*

*By the President of the United States
of America*

A Proclamation

To remind Americans of the need to keep safety in mind while on the Nation's waters, one week out of every year is designated as National Safe Boating Week. This year, it is estimated, over 68 million Americans will enjoy boating on our country's lakes, rivers, streams, oceans, and bays. Boating is fun and relaxing, but the marine environment is not without hazards. Therefore, it is imperative that all boaters learn and practice safe boating techniques.

The theme of this year's National Safe Boating Week, "Be Smart! Take a Boating Course!," emphasizes the importance of learning safe ways to enjoy the sport of boating. As each year passes, our Nation's waters become increasingly crowded with new and exciting craft. In addition to the traditional sailboats, cruisers, canoes, and rowboats, we now have jet-powered water skis, sailboards, and high-speed power boats whose capabilities rival the racing craft of yesteryear.

Because of these developments, it is vital that all boaters understand the courtesies and basic principles of boating safety. Using a boat requires knowledge and experience, just like operating an automobile. Unedu-

cated boaters not only expose themselves to hazards, but also jeopardize their passengers and other boaters. A lack of knowledge, coupled with fatigue, alcohol or drug use, or faulty equipment, can produce fatal results. Since the majority of boating accidents are due to operator error, education is the key to their prevention.

In recognition of the need for boating safety, the Congress, by joint resolution approved June 4, 1958, as amended (36 U.S.C. 161), authorized and requested the President to proclaim annually the week commencing on the first Sunday in June as National Safe Boating Week.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning June 7, 1987, as National Safe Boating Week. I invite the Governors of the States, Puerto Rico, the Northern Mariana Islands, the Virgin Islands, Guam, and American Samoa, and the Mayor of the District of Columbia to provide for the observance of this week.

In Witness Whereof, I have hereunto set my hand this twentieth day of January, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 4:53 p.m., January 21, 1987]

Note: The proclamation was released by the Office of the Press Secretary on January 21.

Message to the Congress Reporting on the National Emergency With Respect to Libya

January 21, 1987

To the Congress of the United States:

1. I hereby report to the Congress on developments since my last report of July 30, 1986, concerning the national emergency with respect to Libya that was declared in Executive Order No. 12543 of January 7, 1986. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c); section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c); and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa-9(c).

2. As set forth in detail in my July 30, 1986, report, in Executive Order No. 12543 I prohibited, with effect from February 1, 1986: (1) the import into the United States from Libya, and (2) the export from the United States to Libya, of any goods or services; (3) transactions relating to transportation to or from Libya; (4) the purchase by U.S. persons of goods for export from Libya to any country; and (5) the performance by U.S. persons of any contract in support of an industrial or other commercial or governmental project in Libya. I further prohibited, with effect from January 7, 1986: (6) the grant or extension of credits or loans by U.S. persons to the Government of Libya (including government-controlled entities); (7) transactions by U.S. persons relating to travel by U.S. citizens or permanent resident aliens to Libya, or activities within Libya, other than for the purpose of: (a) effecting such persons' departure from Libya, (b) performing acts listed in items (1) through (5) above prior to February 1, 1986, or (c) travel for journalistic activity by professional journalists. On January 8, 1986, in Executive Order No. 12544, I augmented the transactional prohibitions contained in Executive Order No. 12543, and ordered the immediate blocking of all property and

interests in property of the Government of Libya (including the Central Bank of Libya and other government-controlled entities) then or thereafter located in the United States, or then or thereafter coming within the possession or control of U.S. persons, including their overseas branches.

3. The declaration of national emergency with respect to Libya was made, and the above-noted actions were taken, pursuant to the authority vested in me as President by the Constitution and laws of the United States, including the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*), the National Emergencies Act (50 U.S.C. 1601 *et seq.*), sections 504 and 505 of the International Security and Development Cooperation Act of 1985 (22 U.S.C. 2349aa-8 and 9), section 1114 of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1514), and section 301 of title 3 of the United States Code.

4. Since my July 30, 1986, report, the only additional amendment to the Libyan Sanctions Regulations administered by the Office of Foreign Assets Control of the Department of the Treasury was an announcement that the Office of Management and Budget had approved the information collection provisions contained in the Regulations. The announcement was published at 51 Fed. Reg. 28933, August 13, 1986, and a copy is enclosed. Additionally, since July 30, 1986, there have been no amendments or changes to orders of the Department of Commerce or the Department of Transportation implementing aspects of Executive Order No. 12543 relating to exports from the United States and air transportation, respectively.

5. During the 6-month period ending July 7, 1986, the Office of Foreign Assets Control issued specific licenses to five (5) U.S. oil companies and thirteen (13) service

companies, authorizing them to complete the winding down of their Libyan operations after the effective dates of the prohibitions in Executive Orders No. 12543 and 12544. These licenses expired on or before June 30, 1986, and the companies' reports under their specific licenses indicate that they completed their operations in Libya by the June 30, 1986, expiration date. During the current 6-month period, additional specific licenses were issued to the oil companies to authorize them (a) to pay taxes and expenses to the Libyan Government for the period prior to June 30, 1986, and (b) to enter into "standstill" and "operator" agreements with Libya. These agreements provide, *inter alia*, for the Government of Libya's recognition of continued American ownership of immovable and inactive assets; call for continuing negotiations for the sale of assets to Libyan entities; suspend the oil companies' contractual obligations to the Government of Libya; and enable Libyan companies to assume operating functions formerly performed by the U.S. companies. Additional licenses have been issued to several of the U.S. service contractor companies authorizing them to pay pre-June 30, 1986, tax obligations out of dinar accounts in Libya and to sell assets in Libya to Libyan-controlled companies.

6. The expenses incurred by the Federal government in the 6-month period from July through December 1986 that are di-

rectly attributable to the exercise of powers and authorities conferred by the declaration of the Libyan national emergency are estimated at \$1,528,791.00, of which approximately \$1,428,791.00 represents wage and salary costs for Federal personnel, and approximately \$100,000.00 represents expenses for travel. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Customs Service, the Office of the Assistant Secretary for Enforcement, the Office of the Assistant Secretary for International Affairs, and the Office of the General Counsel), the Department of State, the Department of Commerce, the Department of Justice, the Federal Reserve Board, and the National Security Council.

7. The policies and actions of the Government of Libya continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. I shall continue to exercise the powers at my disposal to apply economic sanctions against Libya as long as these measures are appropriate and will continue to report periodically to the Congress on significant developments, pursuant to 50 U.S.C. 1703(c).

RONALD REAGAN

The White House,
January 21, 1987.

Nomination of Trusten Frank Crigler To Be United States Ambassador to Somalia

January 21, 1987

The President today announced his intention to nominate Trusten Frank Crigler, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador of the United States of America to the Somali Democratic Republic. He would succeed Peter Scott Bridges.

In 1961 Mr. Crigler joined the Foreign Service and was assigned as an intelligence analyst in the Bureau of Intelligence and Research. Mr. Crigler became political offi-

cer at the American consulate general in Guadalajara, Mexico, in 1963. He served at the U.S. Embassy in Mexico, as consular officer, 1964-1966; political officer at the U.S. Embassy in Kinshasa, Zaire, 1966-1967; American consul (resident) in Bukavu, Zaire, April to July 1967; American consul (nonresident) in Kisangani, Zaire, 1967-1969; political-economic officer at the U.S. Embassy in Libreville, Gabon, 1969-1970; and political adviser at the U.S. Mission to

the Organization of American States in Washington, DC, 1970. Mr. Crigler received a congressional fellowship where he served first on the staff of Representative Frank Thompson (NJ) and then with Senator Lloyd Bentsen (TX). In August 1974 Mr. Crigler went to the U.S. Embassy in Mexico as political officer, where he served until he was appointed Ambassador to Kigali, Rwanda, in September 1976. He became deputy chief of mission at the U.S. Embassy

in Bogotá, Colombia, 1979, and Chargé d'Affaires, 1979–1981; Director of the Office of Mexican Affairs, 1981–1983; and Senior Inspector, Office of the Inspector General at the Department of State, 1983.

Mr. Crigler graduated magna cum laude from Harvard College (B.A., 1957). His foreign languages are Spanish and French. He is married to the former Bettie Ann Morris, and they have three children. Mr. Crigler was born October 17, 1935, in Phoenix, AZ.

Nomination of Burton Levin To Be United States Ambassador to Burma

January 21, 1987

The President today announced his intention to nominate Burton Levin, of Maryland, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador of the United States of America to the Socialist Republic of the Union of Burma. He would succeed Daniel Anthony O'Donohue.

Mr. Levin entered the Foreign Service in 1954 and first served as a consular and economic officer at the U.S. Embassy in Taipei, Taiwan, 1954–1956. He returned to Washington in 1956 and served as a researcher in the Bureau of Intelligence and Research. From 1958 to 1959, he studied Chinese at the Foreign Service Institute School in Taichung, Taiwan. From there, in 1960, he became political officer at the U.S. Embassy in Jakarta, Indonesia, and political officer in the East Asian Bureau of the State Department, 1963–1964. Mr. Levin took Chinese area training at Harvard University, 1964–

1965, and was then assigned as political officer at the American consulate general in Hong Kong, 1965–1969. From there he went to the U.S. Embassy in Taipei as political officer, 1969–1973, when he became a visiting fellow at the Hoover Institute at Stanford University. From July to September 1974, he worked as a congressional liaison in the East Asian Bureau, before becoming Director of the Republic of China desk, 1974–1977. In 1977 Mr. Levin was assigned to Hong Kong as deputy principal officer, where he served until 1978, when he became deputy chief of mission at the U.S. Embassy in Bangkok, Thailand. Since 1981 he has been consul general in Hong Kong.

He graduated from Brooklyn College (B.A., 1952) and Columbia University (M.I.A., 1954). Mr. Levin is fluent in Chinese (Mandarin). He is married and has two children. Mr. Levin was born September 28, 1930, in New York City.

Nomination of Richard Noyes Viets To Be United States Ambassador to Portugal

January 21, 1987

The President today announced his intention to nominate Richard Noyes Viets, of Florida, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador of the United States of America to the Republic of Portugal. He would succeed Frank Shakespeare.

Mr. Viets became a junior officer in 1955 with the United States Information Agency and served in Kabul, Afghanistan, and Tunis, Tunisia, until 1957. From 1957 to 1960, he was assistant trade fair manager in the Office of International Trade Fairs, Department of Commerce. From January to March 1962, he was an investigator in the Bureau of Labor Statistics, and from March to May 1962, a researcher for the science conference staff at the Agency for International Development. Mr. Viets was appointed a Foreign Service officer in May 1962 and was first assigned as a commercial officer in Tokyo, Japan. From 1965 to 1967, he was commercial officer in Madras, India, to be followed as political-economic officer in

New Delhi, India, 1967-1969. He then became special assistant to the U.S. Ambassador in New Delhi, 1969-1972. He returned to Washington in 1972 to serve as a senior watch officer and then Director of the Executive Secretariat until 1974. In 1974 Mr. Viets was assigned as deputy chief of mission in Bucharest, Romania, where he served until 1977, when he was assigned as deputy chief of mission in Tel Aviv, Israel. In 1979 he was appointed U.S. Ambassador to the United Republic of Tanzania, to be followed in 1981 as U.S. Ambassador to the Hashemite Kingdom of Jordan. In 1985 he became a member of the board of examiners for the Foreign Service and in 1986 a member of the Graham-Rudman-Hollings working group in the Department of State.

Mr. Viets graduated from the University of Vermont (A.B., 1955). He speaks fluent Romanian and French. Mr. Viets is married, has three children, and resides in Washington, DC. He was born November 10, 1930, in Burlington, VT.

Nomination of Everett E. Bierman To Be United States Ambassador to Vanuatu

January 21, 1987

The President today announced his intention to nominate Everett E. Bierman, currently Ambassador of the United States of America to Papua New Guinea and to the Solomon Islands, to be Ambassador to the Republic of Vanuatu. He will be nominated to serve concurrently and without additional compensation. This is a new position.

Mr. Bierman began his career in 1948 as an information officer for the Department of Agriculture. In 1951 he left Agriculture to assume the information directorship of the National 4-H Foundation in Washing-

ton, DC. He served there until 1959, when he went to Fort Wayne, IN, as public relations director for the Central Soya Co. From 1967 to 1986, Mr. Bierman was minority staff director of the House Committee on Foreign Affairs.

He graduated from Purdue University (B.S., 1948) and the American University (M.S., 1958). Mr. Bierman served in the U.S. Army from 1942 to 1946. He is married to the former Joyce Elizabeth Lear, and they have four children. Mr. Bierman was born August 16, 1924, in Hastings, NE.

Nomination of Joseph Carlton Petrone To Be United States Representative to the European Office of the United Nations *January 21, 1987*

The President today announced his intention to nominate Joseph Carlton Petrone to be Representative of the United States of America to the European Office of the United Nations, with the rank of Ambassador. He would succeed Gerald P. Carmen.

Mr. Petrone is a retired colonel from the U.S. Army, where he served from 1944 to 1970. Since 1970 he has been actively involved in farming, owning, and managing commercial and residential real estate and private investments in Iowa. From 1970 to 1976, Mr. Petrone chaired the Franco-American Memorial Day ceremonies at the United States World War I cemetery in

France. In 1982 he attended the World Balance of Power Conference at Leeds Castle, England. He served as an Alternate Representative of the United States to the 22d Session of the General Conference of the United Nations Educational, Scientific, and Cultural Organization in Paris, France. In 1985 he was a delegate on a Presidential delegation to Tananarive, Madagascar.

Mr. Petrone graduated from West Point (B.S., 1944) and received a P.S.C. in 1957 from the British Staff College. His foreign language is French. He is married to the former Augusta Henderson. He was born November 30, 1922, in Marshalltown, IA.

Nomination of Arthur G. Linkletter for the Rank of Ambassador While Serving as Commissioner General of the United States Exhibition for the International Exposition in Brisbane, Australia *January 21, 1987*

The President today announced his intention to nominate Arthur G. Linkletter for the rank of Ambassador during the tenure of his service as Commissioner General of the United States Exhibition for the International Exposition, Brisbane, Australia, 1988.

Mr. Linkletter is a world renowned broadcaster, author, and lecturer. He began his career in 1933 as an announcer for KGB Radio in San Diego, CA. From 1935 to 1939, he was a radio and public address system director for the San Diego Exposition; the Texas Centennial, Dallas; and the San Francisco World's Fair, California; respectively. Since 1941 he has been self-employed. In 1958 he served as special representative of the U.S. State Department at the Brussels World's Fair; a member of the

President's Commission for the Observance of the Twenty-fifth Anniversary of the United Nations, 1970; a member, National Advisory Council for Drug Abuse Prevention and Presidential Commission to Improve Reading, 1972; and as a member of the U.S. National Commission for the United Nations Educational, Scientific, and Cultural Organization, 1973-1978. Mr. Linkletter has received numerous awards and honorariums over the years and has received 13 honorary doctorates.

Mr. Linkletter graduated from San Diego State Teachers College (A.B., 1934). He is married to the former Lois Foerster, and they have three children. Mr. Linkletter was born July 17, 1912, in Moose Jaw, Saskatchewan, Canada.

Proclamation 5601—Imposition of Increased Tariffs on Imports of Certain Articles From the European Economic Community January 21, 1987

*By the President of the United States
of America*

A Proclamation

1. On March 31, 1986, I announced my decision, pursuant to section 301(a) of the Trade Act of 1974, as amended (the Act) (19 U.S.C. 2411(a)), to take action in response to restrictions imposed by the European Economic Community (EEC) affecting imports of United States grain and oilseeds into Spain and Portugal. I determined that these restrictions deny benefits to the United States arising under the General Agreement on Tariffs and Trade (GATT) (61 Stat. (pts. 5 and 6)), are unreasonable, and constitute a burden and restriction on United States commerce (51 F.R. 18294). Accordingly, in Proclamation 5478 of May 15, 1986 (51 F.R. 18296), pursuant to section 301 (a), (b), and (d)(1) of the Act (19 U.S.C. 2411 (a), (b), and (d)(1)), I imposed quantitative restrictions on imports of certain articles from the EEC in response to the EEC restrictions in Portugal.

2. In Proclamation 5478, I also announced my decision, in response to the withdrawal of tariff concessions and the application of the EEC variable levy on Spanish imports of corn and sorghum, to suspend temporarily, pursuant to section 301 (a), (b), and (d)(1) of the Act, the tariff concessions made by the United States under the GATT on articles described in Annex II to that proclamation. I made no immediate change in the U.S. duty rates for these articles in order to afford the EEC an opportunity to provide, by July 1, 1986, adequate compensation for the imposition of variable levies on imports of corn and sorghum into Spain. I further stated that, in the event such compensation were not provided by July 1, 1986, I would proclaim increased duties for these articles as appropriate. Having due regard for the international obligations of the United States, I decided that any such increased duties on these articles would be applied on a most-favored-nation basis.

3. On July 2, 1986, the United States and the EEC reached an interim agreement whereby the EEC agreed to take measures to avoid harm to U.S. sales of corn and sorghum to the EEC for the 6-month period ending December 31, 1986. In return, the United States agreed to defer action on the imposition of increased duties on imports of certain articles into the United States during this period so as to allow time for negotiation of a definitive settlement.

4. Despite extensive negotiating efforts throughout 1986, the EEC has not yet agreed to provide satisfactory compensation. Accordingly, I have determined, pursuant to section 301 (a), (b), and (d)(1) of the Act, that increased duties should be imposed on a most-favored-nation basis on the articles provided for in the Annex to this proclamation. Pursuant to general headnote 4 to the Tariff Schedules of the United States (19 U.S.C. 1202), the U.S. rates of duty for countries not receiving most-favored-nation treatment will be modified accordingly.

5. In the event that the EEC provides adequate compensation for the imposition of variable levies on corn and sorghum imports, or if other circumstances so warrant, I am authorizing the United States Trade Representative to suspend, modify, or terminate the increased duties imposed by this proclamation upon publication in the *Federal Register* of notice of his determination that such action is in the interest of the United States. Such suspension, modification, or termination shall be on a most-favored-nation basis.

Now, Therefore, I, Ronald Reagan, President of the United States of America, acting under the authority vested in me by the Constitution and the statutes of the United States, including but not limited to section 301 (a), (b), and (d)(1) and section 604 of the Act (19 U.S.C. 2483), do proclaim that:

1. Subpart B of part 2 of the Appendix to the Tariff Schedules of the United States is modified as provided in the Annex to this

proclamation.

2. The United States Trade Representative is authorized to suspend, modify, or terminate the increased duties imposed by this proclamation upon publication in the *Federal Register* of his determination that such action is in the interest of the United States.

3. This proclamation shall be effective with respect to articles entered, or withdrawn from warehouse for consumption, on or after January 30, 1987.

In Witness Whereof, I have hereunto set

my hand this 21st day of January, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 12:01 p.m., January 22, 1987]

Note: The annex was printed in the "Federal Register" of January 26.

Nomination of Edward W. Kelley, Jr., To Be a Member of the Board of Governors of the Federal Reserve System

January 21, 1987

The President today announced his intention to nominate Edward W. Kelley, Jr., of Texas, District 11, to be a member of the Board of Governors of the Federal Reserve System for the unexpired term of 14 years from February 1, 1976. He would succeed Emmett John Rice.

Since 1981 Mr. Kelley has been chairman of the board, Investment Advisors, Inc., in Houston, TX. In addition, he currently is chairman of the board of the Shoreline Companies, Inc., and director of Texas Industries, Inc. Previously he was president

and chief executive officer of Kelley Industries, Inc., 1959–1981. Mr. Kelley has served as a director of the following banks: Southern National Bank, 1961–1972; Westwood Commerce Bank, 1974–1982; and West Belt National Bank, 1982–1984.

Mr. Kelley graduated from Rice University (B.A., 1954) and Harvard Business School (M.B.A., 1959). He is married, has three children, and resides in Houston, TX. Mr. Kelley was born January 27, 1932, in Eugene, OR.

Nomination of George H. Nash To Be a Member of the National Commission on Libraries and Information Science

January 22, 1987

The President today announced his intention to nominate George H. Nash to be a member of the National Commission on Libraries and Information Science for a term expiring July 19, 1991. He would succeed Byron Leeds.

Since 1975 Dr. Nash has been an author engaged in the full-time writing of Herbert Hoover's biography at the Hoover Presiden-

tial Library. Previously he was a research fellow at the Charles Warren Center for Studies in American History at Harvard College, 1973–1974. He graduated from Amherst College (B.A., 1967) and Harvard University (M.A., 1968; Ph.D., 1973).

Dr. Nash resides in West Branch, IA, and was born April 1, 1945, in South Hadley, MA.

Nomination of Two Members of the Mississippi River Commission *January 22, 1987*

The President today announced his intention to nominate the following individuals to be members of the Mississippi River Commission:

Frank H. Walk, of Louisiana, for a term of 9 years. He would succeed Roy T. Sessums. Since 1955 Mr. Walk has been chairman of the board of Walk, Haydel & Associates, a consulting en-

gineering firm in New Orleans. He was born August 30, 1920, in New Orleans.

Brig. Gen. Charles Ernest Edgar III, U.S.A., would succeed Robert Joseph Dacey. Since 1985 General Edgar has been commander, U.S. Army Engineer Division, South Atlantic Region in Atlanta, GA. He was born January 15, 1936, in Mobile, AL.

Nomination of Seven Members of the National Council on the Arts *January 22, 1987*

The President today announced his intention to nominate the following individuals to be members of the National Council on the Arts, National Foundation on the Arts and the Humanities, for terms expiring September 3, 1992:

David N. Baker, of Indiana. He would succeed Toni Morrison. Since 1966 Mr. Baker has been a professor of music and chairman of the jazz department, Indiana University School of Music. He also serves as president of the National Jazz Service Organization. He graduated from Indiana University (B.M.E., 1953; M.M.E., 1954). Mr. Baker was born December 21, 1931, in Indianapolis, IN.

Nina Brock, of Tennessee. She would succeed Lida Rogers. Since 1981 Mrs. Brock has been a member of the Tennessee Arts Commission, which she currently chairs. She is a member of the board of directors of the Southern Arts Federation. Mrs. Brock graduated from Randolph Macon College (B.A., 1961). She was born November 18, 1939, in Birmingham, AL.

Robert Garfias, of California. He would succeed Arthur I. Jacobs. Since 1982 Mr. Garfias has been dean of fine arts, University of California at Irvine; and he also serves as president of the Orange County Arts Alliance. He graduated from San Francisco State College (B.A., 1956) and the University of California at Los Angeles

(M.A., 1958; Ph.D., 1965). Mr. Garfias was born September 22, 1932, in San Francisco, CA.

Robert M. Johnson, of Florida. He would succeed Margo Albert. Since 1984 Mr. Johnson has been serving as a State senator in the Florida State Senate, and he has served as chairman of the Florida Arts Council. He graduated from Florida State University (B.S., 1958) and the University of Florida (J.D., 1964). Mr. Johnson was born September 1, 1934, in Akron, OH.

Ardis Krainik, of Illinois. She would succeed Leah Ming Pei. Since 1981 Ms. Krainik has been general manager of the Lyric Opera of Chicago, where she has served in various capacities since 1954. She graduated from Northwestern University (B.S., 1951). Ms. Krainik was born March 8, 1929, in Manitowoc, WI.

Harvey Lichtenstein, of New York. He would succeed Robert Joffrey. Since 1967 Mr. Lichtenstein has been president and executive producer of the Brooklyn Academy of Music. He graduated from Brooklyn College (B.A., 1952). Mr. Lichtenstein was born April 9, 1929, in Brooklyn, NY.

Arthur Mitchell, of New York. He would succeed Kurt Herbert Adler. Since 1969 Mr. Mitchell has been executive director and choreographer of the Dance Theater of Harlem. He was a principal dancer with the New York City Ballet from 1952 to 1969. Mr. Mitchell was born March 27, 1934, in New York City.

Nomination of Carolyn L. Vash To Be a Member of the National Council on the Handicapped

January 22, 1987

The President today announced his intention to nominate Carolyn L. Vash to be a member of the National Council on the Handicapped for a term expiring September 17, 1989. She would succeed H. Latham Breunig.

Since 1977 Dr. Vash has been a consulting psychologist engaged in private prac-

tice. She has served as president of the Institute for Information Studies, 1979–1986. She graduated from California State College (B.A., 1957) and the University of California at Los Angeles (M.A., 1961; Ph.D., 1964).

Dr. Vash is married and resides in Altadena, CA. She was born November 11, 1934, in Oil City, PA.

Nomination of Two Members of the Board of Directors of the National Railroad Passenger Corporation

January 22, 1987

The President today announced his intention to nominate the following individuals to be members of the Board of Directors of the National Railroad Passenger Corporation (Amtrak) for terms expiring April 27, 1990:

Charles Luna, of Texas. This is a reappointment.

Mr. Luna is retired, and most recently he served as president, United Transportation Union, in Cleveland, OH, 1969–1985. Previously he served as chairman, Congress of Railway

Unions, 1970. Mr. Luna resides in Dallas, TX, and he was born October 21, 1906, in Celeste, TX.

Darrell M. Trent, of Kansas. He would succeed Ross E. Rowland, Jr. Since 1983 Mr. Trent has been chairman and CEO, Rollins Environmental Services, Inc., in Wilmington, DE. Previously he was Deputy Secretary of Transportation, 1981–1983. Mr. Trent graduated from Stanford University (B.A., 1961) and Columbia University (M.S., 1964). He resides in Wilmington, DE, and was born August 2, 1938, in Neosho, MO.

Nomination of Malcolm Forbes, Jr., To Be a Member of the Board for International Broadcasting, and Designation as Chairman

January 22, 1987

The President today announced his intention to nominate Malcolm Forbes, Jr., of New Jersey, to be a member of the Board for International Broadcasting for a term expiring April 28, 1989. This is a reappointment, and upon confirmation, he will be

redesignated Chairman.

Mr. Forbes is president and chief operating officer of Forbes, Inc. He graduated from Princeton University (B.A., 1970). Mr. Forbes was born July 18, 1947, in Morristown, NJ.

Nomination of Peter H. Dailey To Be a Member of the General Advisory Committee of the United States Arms Control and Disarmament Agency

January 22, 1987

The President today announced his intention to nominate Peter H. Dailey, of California, to be a member of the General Advisory Committee of the United States Arms Control and Disarmament Agency. He would succeed Laurence Hirsch Silberman.

Mr. Dailey is chairman of Enniskerry Financial Corp., a private investment banking

company in Reno, NV; and he is also president of the World Business Council. He served as U.S. Ambassador to Ireland from 1982 to 1984. Mr. Dailey graduated from the University of California at Los Angeles (B.S., 1954). He is married, has five children, and was born May 1, 1930, in New Orleans, LA.

Nomination of Max Charles Graeber To Be a Member of the National Advisory Council on Educational Research and Improvement

January 22, 1987

The President today announced his intention to nominate Max Charles Graeber, of Virginia, to be a member of the National Advisory Council on Educational Research and Improvement for a term expiring September 30, 1989. He would succeed David J. Armor.

Dr. Graeber is currently dean of University College at the University of Richmond. He graduated from Indiana University (B.S., 1952) and Bowling Green State University (M.A., 1965; Ph.D., 1973). Dr. Graeber was born February 9, 1928, in Valparaiso, IN.

Nomination of Rosemary G. McMillan To Be a Member of the National Museum Services Board

January 22, 1987

The President today announced his intention to nominate Rosemary G. McMillan, of Nevada, to be a member of the National Museum Services Board, National Foundation on the Arts and the Humanities, for a term expiring December 6, 1990. She

would succeed Fucheng Richard Hsu.

Mrs. McMillan has been a member of the board of directors of Reno's Washoe County Medical Center since 1986 and an active trustee of the Sierra Arts Foundation. She was born March 31, 1930, in San Francisco.

Nomination of Frank H.T. Rhodes To Be a Member of the National Science Board

January 22, 1987

The President today announced his intention to nominate Frank H.T. Rhodes, of New York, to be a member of the National Science Board, National Science Foundation, for a term expiring May 10, 1992. He would succeed Donald B. Rice.

Since 1977 Dr. Rhodes has been president of Cornell University. He graduated from the University of Birmingham, England (B.S., 1948; Ph.D., 1950). Dr. Rhodes was born October 29, 1926, in Warwickshire, England.

Nomination of Thomas J. Healey To Be a Member of the Board of Directors of the Securities Investor Protection Corporation

January 22, 1987

The President today announced his intention to nominate Thomas J. Healey, of New Jersey, to be a member of the Board of Directors of the Securities Investor Protection Corporation for a term expiring December 31, 1988. He would succeed Stephen L. Hammerman.

Mr. Healey is vice president, real estate department, Goldman Sachs and Co. in New York City. He graduated from Georgetown University (B.A., 1964) and Harvard University (M.B.A., 1966). Mr. Healey was born September 14, 1942, in Baltimore, MD.

Nomination of Priscilla L. Buckley To Be a Member of the United States Advisory Commission on Public Diplomacy

January 22, 1987

The President today announced his intention to nominate Priscilla L. Buckley, of Connecticut, to be a member of the United States Advisory Commission on Public Diplomacy for a term expiring July 1, 1989. This is a reappointment.

Mrs. Buckley is a senior editor of National Review magazine in New York City. She graduated from Smith College (B.A., 1943) and was born October 17, 1921, in New York City.

Remarks to Participants in the March for Life Rally

January 22, 1987

The President. Hello, Nellie Gray?

Miss Gray. Hello, Mr. President.

The President. Hello, Nellie. It's good to hear your voice again. [Applause]

Miss Gray. Mr. President, this is prolife

America greeting you today. And as you can see, the determination of prolife America is that we are going to save these babies. We are not letting any elements or anything deter us. And we want to work

strongly with the White House and the legislators, because we are going to have the paramount human life amendment. And we await your word, Mr. President.

The President. Well, Nellie, it's evident to me that you're not going to let a little weather stand in the way of this noble cause, and to all of you there in this year's March for Life: Welcome to Washington, and thank you for your commitment to the right to life of America's unborn children.

Today you remind all of us that abortion is not a harmless medical procedure but the taking of the life of a living human being. This tragic and terrible toll continues at a rate of more than 4,000 young lives lost each day. Our national commitment to the dignity of all human life must begin with the respect for our most basic civil right: the right to life. In my State of the Union Address last year, I observed that America will never be whole as long as the right to life, granted by our Creator, is denied to the unborn. Together we can overturn *Roe v. Wade*, and end this national tragedy.

Miss Gray. Yes, Mr. President.

The President. Well, by your presence here today, Nellie and all of you, you answer the violence of abortion with confidence in our democratic process. Your non-violent commitment to life can overcome the violence of abortion, and we shall overcome bitterness to reach a greater respect for human life. Many of you've already done much in our legislatures and courts. Others of you've provided counseling and compassionate care for women seeking alternatives to abortion. Each woman who chooses life for her child affirms our reverence for human life and ennobles our society. Each child is a unique, unrepeatable gift, and every child who escapes the violence of abortion is an immeasurable victory for life.

During my administration we've worked together to restrict the use of Federal funds to perform abortions, we've denied government funds to organizations overseas that perform or promote abortion, and we have repeatedly called upon the Congress and the Supreme Court to take those steps necessary to overturn *Roe v. Wade*. Your prayers and your hard work have brought us a long way since the tragedy of 1973. Together, with God's help, we will finish the task

and heal our wounded nation. God bless you all.

Miss Gray. Thank you, Mr. President. Mr. President?

The President. Yes, Nellie?

Miss Gray. We want to thank you very much for these words, and particularly those which talk about the things that we can do. For instance, we can stop the funding of abortion. And when we were here last year, Mr. President, I asked if I could work with you and your staff on a number of things, one of which concerned the DC appropriation bill. Unfortunately, when that bill went through the Congress, we were trying to stop the funding there, and then I was needing a veto. But we didn't have someone in the White House that we could work closely with. And unfortunately, again, Mr. President, for the fifth year in a row, we have funds for abortion in the District of Columbia approved by our prolific President. And I want to work with you now with a commitment that there is a senior staff member in the White House with whom I personally can work so that we can stop the funds for abortions here in the District and assure that those appropriation bills are vetoed in the White House. Because, Mr. President, when you sign the bill, it's giving a blank check to the District of Columbia, and about 10,000 babies are killed with our tax dollars. Can we work with you to stop the funds for abortion in the District of Columbia, Mr. President?

The President. Nellie, I'll get on that right away to see what can be done. I hope you realize that some of this, with regard to vetoing, runs into the thing that I don't have, but that I've been asking Congress for for these 6 years. And we'll use your help, and that is the right to line-item veto.

Miss Gray. Well, I was thinking, Mr. President, that we veto the whole District of Columbia bill, because if there's one penny in there to kill the preborn babies, then the whole bill is bad. And, Mr. President, on this DC appropriation bill, you are veto-proof. It cannot be overridden, because we proliferate have more people in the Congress, that they will uphold your veto. And I want to work closely with you and your staff personally so that we stop the

funds for abortion in the District.

The President. Well, I will get someone in touch with you, and we'll be sure that we can work closer together.

Miss Gray. Thank you, Mr. President. The people who are here today are from very far away. They're from Massachusetts, Wisconsin, those buses have rolled in from New York and Pennsylvania. We're from all over the country.

The President. Well, God bless you. And—

Miss Gray. As you can hear, we're from all over the country, and we're so committed. And we will stay with you, and we will work to help get the funds stopped plus assure that there are appointments of pro-life judges. And then I wanted to tell you, Mr. President, that Congressman [Robert K.] Dornan is introducing the paramount

human life amendment today, and we will ask your support for that, too, please.

The President. You have it. All right. God bless you all.

Miss Gray. Mr. President, we want to thank you. Know that our love and prayers are with you. We want you to be there to guide us, and we will follow your leadership. Thank you, Mr. President.

The President. Thank you. All right. Goodbye.

Note: The President spoke at 12:01 p.m. from the Oval Office at the White House via a loudspeaker hookup with the rally site. Participants had gathered on the Ellipse for a march to the Supreme Court on the 14th anniversary of the Court's decision of "Roe v. Wade," which legalized abortion. Nellie Gray was president of March for Life.

Nomination of J. Michael Dorsey To Be General Counsel of the Department of Housing and Urban Development

January 23, 1987

The President today announced his intention to nominate J. Michael Dorsey, of Missouri, to be General Counsel of the Department of Housing and Urban Development. He would succeed John J. Knapp.

Since 1986 Mr. Dorsey has been Assistant Secretary for Public and Indian Housing at the Department of Housing and Urban Development. Previously, he was a partner

with the law firm of Stinson, Mag & Fizzell in Kansas City, MO, 1974–1986; and assistant attorney general of the State of Missouri, 1973–1974. He graduated from Stanford University (B.A., 1965) and the University of Missouri (J.D., 1968; LL.M., 1973). Mr. Dorsey is married, has two children, and resides in Bethesda, MD. He was born February 6, 1943, in Kansas City, MO.

Nomination of Robert E. Lamb To Be an Assistant Secretary of State

January 23, 1987

The President today announced his intention to nominate Robert E. Lamb, of Virginia, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Assistant Secretary of State for Diplomatic Security. This is a new position.

Since 1985 Mr. Lamb has been Director of the Bureau of Diplomatic Security at the Department of State. Previously, he was Assistant Secretary of State for Administration and Security, 1983–1985; Director of Financial Services in the Bureau of Administra-

tion; and Director of the Passport Office in the Bureau of Consular Affairs.

Mr. Lamb graduated from the University of Pennsylvania (A.B., 1962). He is married,

has three children, and resides in Burke, VA. Mr. Lamb was born November 17, 1936, in Atlanta, GA.

Nomination of Charles H. Dallara To Be United States Executive Director of the International Monetary Fund

January 23, 1987

The President today announced his intention to nominate Charles H. Dallara, of Virginia, to be United States Executive Director of the International Monetary Fund for a term of 2 years. This is a reappointment.

Since 1984 Dr. Dallara has served in this position. Previously he was Deputy Assistant Secretary for International Monetary

Affairs, Department of the Treasury, 1983–1984. Dr. Dallara graduated from the University of South Carolina (B.S., 1970) and Fletcher School of Law and Diplomacy (M.A., 1975; M.A.L.D., 1976; Ph.D., 1986). He is married, has two children, and resides in Annandale, VA. Dr. Dallara was born August 25, 1948, in Spartanburg, SC.

Nomination of Charles A. Shanor To Be General Counsel of the Equal Employment Opportunity Commission

January 23, 1987

The President today announced his intention to nominate Charles A. Shanor, of Georgia, to be General Counsel of the Equal Employment Opportunity Commission for a term of 4 years. He would succeed David L. Slate.

Since 1975 Mr. Shanor has been a professor of law at Emory University School of Law in Atlanta, GA, where he served as associate dean, 1981–1984. Previously, he was an associate partner with the law firm

of Sutherland, Asbill & Brennan in Atlanta, 1973–1975; and a law clerk for the Honorable Elbert P. Tuttle, U.S. Court of Appeals for the Fifth Circuit, 1972–1973.

Mr. Shanor graduated from Rice University (B.A., 1968), Oxford University (B.A., 1972; M.A., 1977, Rhodes scholar), and the University of Virginia (J.D., 1973). He is married, has two children, and resides in Atlanta. Mr. Shanor was born September 17, 1946, in Wilmington, NC.

Nomination of James L. Kolstad To Be a Member of the National Transportation Safety Board

January 23, 1987

The President today announced his intention to nominate James L. Kolstad, of Colorado, to be a member of the National Transportation Safety Board for the term expiring December 31, 1991. He would succeed

Donald D. Engen.

Since April of 1986 Mr. Kolstad has been vice president of the Pat Thompson Co., a public affairs consulting firm in Englewood, CO. He was a private consultant for the

airline and travel industries in Denver, CO, 1985–1986; senior director of communications and public affairs, Frontier Airlines, 1978–1985; and Director, Office of Community and Congressional Relations, Civil Aeronautics Board in Washington, DC, 1973–

1978.

Mr. Kolstad graduated from the University of Montana (B.A., 1960). He resides in Aurora, CO, and was born March 3, 1939, in Washington, DC.

Statement on the Iran-Iraq War *January 23, 1987*

The current Iranian assault on Iraqi forces near Basra is a reminder of the terrible suffering and loss which the Iran-Iraq war has brought to the peoples of the Gulf region. The continuation of this bloody struggle remains a subject of deep concern to the United States and to the entire world. It is a war that threatens not only American strategic interests but also the stability and security of our friends in the region.

As I have emphasized many times, we are determined to help bring the war to the promptest possible negotiated end, without victor or vanquished, leaving intact the sovereignty and territorial integrity of both Iran and Iraq. We cannot but condemn Ira-

nian seizure and occupation of Iraqi territory, and we again call upon the Government of Iran to join the Government of Iraq in seeking a rapid, negotiated solution to the conflict.

We share the concern of our friends in the Gulf region that the war could spill over and threaten their security. We would regard any such expansion of the war as a major threat to our interests as well as to those of our friends in the region. We remain determined to ensure the free flow of oil through the Strait of Hormuz. We also remain strongly committed to supporting the individual and collective self-defense of our friends in the Gulf, with whom we have deep and longstanding ties.

Radio Address to the Nation on the State of the Union *January 24, 1987*

My fellow Americans:

This coming Tuesday I'll travel up Constitution Avenue from the White House to the Capitol to deliver my State of the Union Address. The House Chamber that night will be crowded—Members of the House itself, Members of the Senate, the Justices of the Supreme Court, Cabinet officials, the diplomatic corps—all will have come. Television lights will flood the rostrum from which I will speak, providing added moment, a reminder that the audience will extend far beyond the Chamber to you, the American people, and indeed to much of the world.

In a moment I'd like to share with you

some thoughts about the agenda I'll outline to the 100th Congress on that historic night. But if you'll permit me, first I'd like you to join me in considering the State of the Union Address as an important American tradition, a tradition that on Tuesday night will represent the first great public event marking this the bicentennial year of our Constitution.

It's the Constitution itself—article II, section 3—that mandates the President to inform Congress regarding the state of the American Union and to recommend measures that he considers, in the Constitution's words, "necessary and expedient." President Washington appeared before Congress

personally each year to offer his account of national problems and prospects. In 1801 President Jefferson was eager to show how different America was from Britain, where Parliament was opened by the monarch, so he put the practice of appearing in person to an end, substituting instead a written message. Presidents continued to send Congress written messages for more than a century, until in 1913 Woodrow Wilson revived the practice of delivering the message in person. Since Franklin Roosevelt seized upon the idea with his customary relish, no President has missed the opportunity to present his proposals before Congress face-to-face.

But whether delivered in person or in writing, these annual messages represent one of our nation's basic historical texts—a body of writings that show our development from a fledgling Republic to a great bastion of freedom; that present our Presidents as individual men, struggling as best they could with the issues of their day; that in our time—our own time—provide continuity, a sense of the proud history that we as Americans have inherited.

In 198 Presidential messages to Congress certain themes reappear. National security—there is Washington's urging that the Republic remain strong; for, in his words, "To be prepared for war is one of the most effectual means of preserving peace." Economic growth—there is President Fillmore's satisfaction in 1852 at all that we as a free people had accomplished: "The population has almost quadrupled. Our boundaries have been extended. Our territory is checkered over with railroads and furrowed with canals." And then the great theme, the national experiment in human liberty—President Monroe wrote in his final message that "Our institutions form an impor-

tant epoch in the history of the civilized world." And in President Lincoln's second message, we read of America as "the last, best hope of Earth." Freedom, Lincoln stated, is a way that is "plain, peaceful, generous, just—a way which, if followed, the world will forever applaud, and God must forever bless."

On Tuesday night I'll follow the men who preceded me in office by addressing each of these themes. Of our national security, I will once again stress that no duty of the Federal Government is more important than the defense of this Republic. I will reassert the importance of the American virtues of boldness and innovation—virtues embodied in our Strategic Defense Initiative. In addressing economic matters, I will announce initiatives regarding jobs, education, and continued economic growth—measures designed to keep America competitive throughout the world and provide new jobs and opportunities here at home. And, yes, I will address the urgent need for the Federal Government to control its own spending and to do so permanently by amending the Constitution. And in speaking about the great theme liberty, I will state that our national experiment remains proud and successful. Now we must extend liberty to others, providing, in particular, steady and substantial aid to freedom fighters in Nicaragua and elsewhere around the globe.

All this we must do, I will argue, to live up to the best within ourselves and our history, to take our place beside those who have gone before in keeping this Republic "the last, best hope of Earth."

Thanks for listening, and until Tuesday night, God bless you.

Note: The President spoke at 12:06 p.m. from Camp David, MD.

Executive Order 12580—Superfund Implementation *January 23, 1987*

By the authority vested in me as President of the United States of America by Section 115 of the Comprehensive Environ-

mental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. 9615 *et seq.*) ("the Act"), and by Section 301

of Title 3 of the United States Code, it is hereby ordered as follows:

Section 1. National Contingency Plan.

(a)(1) The National Contingency Plan ("the NCP"), shall provide for a National Response Team ("the NRT") composed of representatives of appropriate Federal departments and agencies for national planning and coordination of preparedness and response actions, and regional response teams as the regional counterpart to the NRT for planning and coordination of regional preparedness and response actions.

(2) The following agencies (in addition to other appropriate agencies) shall provide representatives to the National and Regional Response Teams to carry out their responsibilities under the NCP: Department of State, Department of Defense, Department of Justice, Department of the Interior, Department of Agriculture, Department of Commerce, Department of Labor, Department of Health and Human Services, Department of Transportation, Department of Energy, Environmental Protection Agency, Federal Emergency Management Agency, United States Coast Guard, and the Nuclear Regulatory Commission.

(3) Except for periods of activation because of a response action, the representative of the Environmental Protection Agency ("EPA") shall be the chairman and the representative of the United States Coast Guard shall be the vice chairman of the NRT and these agencies' representatives shall be co-chairs of the Regional Response Teams ("the RRTs"). When the NRT or an RRT is activated for a response action, the chairman shall be the EPA or United States Coast Guard representative, based on whether the release or threatened release occurs in the inland or coastal zone, unless otherwise agreed upon by the EPA and United States Coast Guard representatives.

(4) The RRTs may include representatives from State governments, local governments (as agreed upon by the States), and Indian tribal governments. Subject to the functions and authorities delegated to Executive departments and agencies in other sections of this Order, the NRT shall provide policy and program direction to the RRTs.

(b)(1) The responsibility for the revision of the NCP and all of the other functions

vested in the President by Sections 105(a), (b), (c), and (g), 125, and 301(f) of the Act is delegated to the Administrator of the Environmental Protection Agency ("the Administrator").

(2) The function vested in the President by Section 118(p) of the Superfund Amendments and Reauthorization Act of 1986 (Public Law 99-499) ("SARA") is delegated to the Administrator.

(c) In accord with Section 107(f)(2)(A) of the Act and Section 311(f)(5) of the Federal Water Pollution Control Act, as amended (33 U.S.C. 1321(f)(5)), the following shall be among those designated in the NCP as Federal trustees for natural resources:

- (1) Secretary of Defense;
- (2) Secretary of the Interior;
- (3) Secretary of Agriculture;
- (4) Secretary of Commerce;
- (5) Secretary of Energy.

(d) Revisions to the NCP shall be made in consultation with members of the NRT prior to publication for notice and comment. Revisions shall also be made in consultation with the Director of the Federal Emergency Management Agency and the Nuclear Regulatory Commission in order to avoid inconsistent or duplicative requirements in the emergency planning responsibilities of those agencies.

(e) All revisions to the NCP, whether in proposed or final form, shall be subject to review and approval by the Director of the Office of Management and Budget ("OMB").

Sec. 2. Response and Related Authorities.

(a) The functions vested in the President by the first sentence of Section 104(b)(1) of the Act relating to "illness, disease, or complaints thereof" are delegated to the Secretary of Health and Human Services who shall, in accord with Section 104(i) of the Act, perform those functions through the Public Health Service.

(b) The functions vested in the President by Sections 104(e)(7)(C), 113(k)(2), 119(c)(7), and 121(f)(1) of the Act, relating to promulgation of regulations and guidelines, are delegated to the Administrator, to be exercised in consultation with the NRT.

(c)(1) The functions vested in the President by Sections 104(a) and the second sen-

tence of 126(b) of the Act, to the extent they require permanent relocation of residents, businesses, and community facilities or temporary evacuation and housing of threatened individuals not otherwise provided for, are delegated to the Director of the Federal Emergency Management Agency.

(2) Subject to subsection (b) of this Section, the functions vested in the President by Sections 117(a) and (c), and 119 of the Act, to the extent such authority is needed to carry out the functions delegated under paragraph (1) of this subsection, are delegated to the Director of the Federal Emergency Management Agency.

(d) Subject to subsections (a), (b) and (c) of this Section, the functions vested in the President by Sections 104(a), (b) and (c)(4), 113(k), 117(a) and (c), 119, and 121 of the Act are delegated to the Secretaries of Defense and Energy, with respect to releases or threatened releases where either the release is on or the sole source of the release is from any facility or vessel under the jurisdiction, custody or control of their departments, respectively, including vessels bare-boat chartered and operated. These functions must be exercised consistent with the requirements of Section 120 of the Act.

(e)(1) Subject to subsections (a), (b), (c), and (d) of this Section, the functions vested in the President by Sections 104(a), (b), and (c)(4), and 121 of the Act are delegated to the heads of Executive departments and agencies, with respect to remedial actions for releases or threatened releases which are not on the National Priorities List ("the NPL") and removal actions other than emergencies, where either the release is on or the sole source of the release is from any facility or vessel under the jurisdiction, custody or control of those departments and agencies, including vessels bare-boat chartered and operated. The Administrator shall define the term "emergency", solely for the purposes of this subsection, either by regulation or by a memorandum of understanding with the head of an Executive department or agency.

(2) Subject to subsections (b), (c), and (d) of this Section, the functions vested in the President by Sections 104(b)(2), 113(k), 117(a) and (c), and 119 of the Act are dele-

gated to the heads of Executive departments and agencies, with respect to releases or threatened releases where either the release is on or the sole source of the release is from any facility or vessel under the jurisdiction, custody or control of those departments and agencies, including vessels bare-boat chartered and operated.

(f) Subject to subsections (a), (b), (c), (d), and (e) of this Section, the functions vested in the President by Sections 104(a), (b) and (c)(4), 113(k), 117(a) and (c), 119, and 121 of the Act are delegated to the Secretary of the Department in which the Coast Guard is operating ("the Coast Guard"), with respect to any release or threatened release involving the coastal zone, Great Lakes waters, ports, and harbors.

(g) Subject to subsections (a), (b), (c), (d), (e), and (f) of this Section, the functions vested in the President by Sections 101(24), 104(a), (b), (c)(4) and (c)(9), 113(k), 117(a) and (c), 119, 121, and 126(b) of the Act are delegated to the Administrator. The Administrator's authority under Section 119 of the Act is retroactive to the date of enactment of SARA.

(h) The functions vested in the President by Section 104(c)(3) of the Act are delegated to the Administrator, with respect to providing assurances for Indian tribes, to be exercised in consultation with the Secretary of the Interior.

(i) Subject to subsections (d), (e), (f), (g) and (h) of this Section, the functions vested in the President by Section 104(c) and (d) of the Act are delegated to the Coast Guard, the Secretary of Health and Human Services, the Director of the Federal Emergency Management Agency, and the Administrator in order to carry out the functions delegated to them by this Section.

(j)(1) The functions vested in the President by Section 104(e)(5)(A) are delegated to the heads of Executive departments and agencies, with respect to releases or threatened releases where either the release is on or the sole source of the release is from any facility or vessel under the jurisdiction, custody or control of those departments and agencies, to be exercised with the concurrence of the Attorney General.

(2) Subject to subsection (b) of this Section

and paragraph (1) of this subsection, the functions vested in the President by Section 104(e) are delegated to the heads of Executive departments and agencies in order to carry out their functions under this Order or the Act.

(k) The functions vested in the President by Sections 104(f), (g), (h), (i)(11), and (j) of the Act are delegated to the heads of Executive departments and agencies in order to carry out the functions delegated to them by this Section. The exercise of authority under Section 104(h) of the Act shall be subject to the approval of the Administrator of the Office of Federal Procurement Policy.

Sec. 3. Cleanup Schedules. (a) The functions vested in the President by Sections 116(a) and the first two sentences of 105(d) of the Act are delegated to the heads of Executive departments and agencies with respect to facilities under the jurisdiction, custody or control of those departments and agencies.

(b) Subject to subsection (a) of this Section, the functions vested in the President by Sections 116 and 105(d) are delegated to the Administrator.

Sec. 4. Enforcement. (a) The functions vested in the President by Sections 109(d) and 122(e) (3) (A) of the Act, relating to development of regulations and guidelines, are delegated to the Administrator, to be exercised in consultation with the Attorney General.

(b)(1) Subject to subsection (a) of this Section, the functions vested in the President by Section 122 (except subsection (b)(1)) are delegated to the heads of Executive departments and agencies, with respect to releases or threatened releases not on the NPL where either the release is on or the sole source of the release is from any facility under the jurisdiction, custody or control of those Executive departments and agencies. These functions may be exercised only with the concurrence of the Attorney General.

(2) Subject to subsection (a) of this Section, the functions vested in the President by Section 109 of the Act, relating to violations of Section 122 of the Act, are delegated to the heads of Executive departments and agencies, with respect to releases or threatened releases not on the NPL where

either the release is on or the sole source of the release is from any facility under the jurisdiction, custody or control of those Executive departments and agencies. These functions may be exercised only with the concurrence of the Attorney General.

(c)(1) Subject to subsection (a) and (b)(1) of this Section, the functions vested in the President by Sections 106(a) and 122 of the Act are delegated to the Coast Guard with respect to any release or threatened release involving the coastal zone, Great Lakes waters, ports, and harbors.

(2) Subject to subsection (a) and (b)(2) of this Section, the functions vested in the President by Section 109 of the Act, relating to violations of Sections 103(a) and (b), and 122 of the Act, are delegated to the Coast Guard with respect to any release or threatened release involving the coastal zone, Great Lakes waters, ports, and harbors.

(d)(1) Subject to subsections (a), (b)(1), and (c)(1) of this Section, the functions vested in the President by Sections 106 and 122 of the Act are delegated to the Administrator.

(2) Subject to subsections (a), (b)(2), and (c)(2) of this Section, the functions vested in the President by Section 109 of the Act, relating to violations of Sections 103 and 122 of the Act, are delegated to the Administrator.

(e) Notwithstanding any other provision of this Order, the authority under Sections 104(e)(5)(A) and 106(a) of the Act to seek information, entry, inspection, samples, or response actions from Executive departments and agencies may be exercised only with the concurrence of the Attorney General.

Sec. 5. Liability. (a) The function vested in the President by Section 107(c)(1)(C) of the Act is delegated to the Secretary of Transportation.

(b) The functions vested in the President by Section 107(c)(3) of the Act are delegated to the Coast Guard with respect to any release or threatened release involving the coastal zone, Great Lakes waters, ports, and harbors.

(c) Subject to subsection (b) of this Section, the functions vested in the President by Section 107(c)(3) of the Act are delegat-

ed to the Administrator.

(d) The functions vested in the President by Section 107(f)(1) of the Act are delegated to each of the Federal trustees for natural resources designated in the NCP for resources under their trusteeship.

(e) The functions vested in the President by Section 107(f)(2)(B) of the Act, to receive notification of the state natural resource trustee designations, are delegated to the Administrator.

Sec. 6. Litigation. (a) Notwithstanding any other provision of this Order, any representation pursuant to or under this Order in any judicial proceeding shall be by or through the Attorney General. The conduct and control of all litigation arising under the Act shall be the responsibility of the Attorney General.

(b) Notwithstanding any other provision of this Order, the authority under the Act to require the Attorney General to commence litigation is retained by the President.

(c) The functions vested in the President by Section 113(g) of the Act, to receive notification of a natural resource trustee's intent to file suit, are delegated to the heads of Executive departments and agencies with respect to response actions for which they have been delegated authority under Section 2 of this Order. The Administrator shall promulgate procedural regulations for providing such notification.

(d) The functions vested in the President by Sections 310 (d) and (e) of the Act, relating to promulgation of regulations, are delegated to the Administrator.

Sec. 7. Financial Responsibility. (a) The functions vested in the President by Section 107(k)(4)(B) of the Act are delegated to the Secretary of the Treasury. The Administrator will provide the Secretary with such technical information and assistance as the Administrator may have available.

(b)(1) The functions vested in the President by Section 108(a)(1) of the Act are delegated to the Coast Guard.

(2) Subject to Section 4(a) of this Order, the functions vested in the President by Section 109 of the Act, relating to violations of Section 108(a)(1) of the Act, are delegated to the Coast Guard.

(c)(1) The functions vested in the Presi-

dent by Section 108(b) of the Act are delegated to the Secretary of Transportation with respect to all transportation related facilities, including any pipeline, motor vehicle, rolling stock, or aircraft.

(2) Subject to Section 4(a) of this Order, the functions vested in the President by Section 109 of the Act, relating to violations of Section 108(a)(3) of the Act, are delegated to the Secretary of Transportation.

(3) Subject to Section 4(a) of this Order, the functions vested in the President by Section 109 of the Act, relating to violations of Section 108(b) of the Act, are delegated to the Secretary of Transportation with respect to all transportation related facilities, including any pipeline, motor vehicle, rolling stock, or aircraft.

(d)(1) Subject to subsection (c)(1) of this Section, the functions vested in the President by Section 108(a)(4) and (b) of the Act are delegated to the Administrator.

(2) Subject to Section 4(a) of this Order and subsection (c)(3) of this Section, the functions vested in the President by Section 109 of the Act, relating to violations of Section 108(a)(4) and (b) of the Act, are delegated to the Administrator.

Sec. 8. Employee Protection and Notice to Injured. (a) The functions vested in the President by Section 110(e) of the Act are delegated to the Administrator.

(b) The functions vested in the President by Section 111(g) of the Act are delegated to the Secretaries of Defense and Energy with respect to releases from facilities or vessels under the jurisdiction, custody or control of their departments, respectively, including vessels bare-boat chartered and operated.

(c) Subject to subsection (b) of this Section, the functions vested in the President by Section 111(g) of the Act are delegated to the Administrator.

Sec. 9. Management of the Hazardous Substance Superfund and Claims. (a) The functions vested in the President by Section 111(a) of the Act are delegated to the Administrator, subject to the provisions of this Section and other applicable provisions of this Order.

(b) The Administrator shall transfer to other agencies, from the Hazardous Sub-

stance Superfund out of sums appropriated, such amounts as the Administrator may determine necessary to carry out the purposes of the Act. These amounts shall be consistent with the President's Budget, within the total approved by the Congress, unless a revised amount is approved by OMB. Funds appropriated specifically for the Agency for Toxic Substances and Disease Registry ("ATSDR"), shall be directly transferred to ATSDR, consistent with fiscally responsible investment of trust fund money.

(c) The Administrator shall chair a budget task force composed of representatives of Executive departments and agencies having responsibilities under this Order or the Act. The Administrator shall also, as part of the budget request for the Environmental Protection Agency, submit to OMB a budget for the Hazardous Substance Superfund which is based on recommended levels developed by the budget task force. The Administrator may prescribe reporting and other forms, procedures, and guidelines to be used by the agencies of the Task Force in preparing the budget request, consistent with budgetary reporting requirements issued by OMB. The Administrator shall prescribe forms to agency task force members for reporting the expenditure of funds on a site specific basis.

(d) The Administrator and each department and agency head to whom funds are provided pursuant to this Section, with respect to funds provided to them, are authorized in accordance with Section 111(f) of the Act to designate Federal officials who may obligate such funds.

(e) The functions vested in the President by Section 112 of the Act are delegated to the Administrator for all claims presented pursuant to Section 111 of the Act.

(f) The functions vested in the President by Section 111(o) of the Act are delegated to the Administrator.

(g) The functions vested in the President by Section 117(e) of the Act are delegated to the Administrator, to be exercised in consultation with the Attorney General.

(h) The functions vested in the President by Section 123 of the Act are delegated to the Administrator.

(i) Funds from the Hazardous Substance Superfund may be used, at the discretion of

the Administrator or the Coast Guard, to pay for removal actions for releases or threatened releases from facilities or vessels under the jurisdiction, custody or control of Executive departments and agencies but must be reimbursed to the Hazardous Substance Superfund by such Executive department or agency.

Sec. 10. Federal Facilities. (a) When necessary, prior to selection of a remedial action by the Administrator under Section 120(e)(4)(A) of the Act, Executive agencies shall have the opportunity to present their views to the Administrator after using the procedures under Section 1-6 of Executive Order No. 12088 of October 13, 1978, or any other mutually acceptable process. Notwithstanding subsection 1-602 of Executive Order No. 12088, the Director of the Office of Management and Budget shall facilitate resolution of any issues.

(b) Executive Order No. 12088 of October 13, 1978, is amended by renumbering the current Section 1-802 as Section 1-803 and inserting the following new Section 1-802:

"1-802. Nothing in this Order shall create any right or benefit, substantive or procedural, enforceable at law by a party against the United States, its agencies, its officers, or any person."

Sec. 11. General Provisions. (a) The function vested in the President by Section 101 (37) of the Act is delegated to the Administrator.

(b)(1) The function vested in the President by Section 105(f) of the Act, relating to reporting on minority participation in contracts, is delegated to the Administrator.

(2) Subject to paragraph 1 of this subsection, the functions vested in the President by Section 105(f) of the Act are delegated to the heads of Executive departments and agencies in order to carry out the functions delegated to them by this Order. Each Executive department and agency shall provide to the Administrator any requested information on minority contracting for inclusion in the Section 105(f) annual report.

(c) The functions vested in the President by Section 126(c) of the Act are delegated to the Administrator, to be exercised in consultation with the Secretary of the Interior.

(d) The functions vested in the President by Section 301(c) of the Act are delegated to the Secretary of the Interior.

(e) Each agency shall have authority to issue such regulations as may be necessary to carry out the functions delegated to them by this Order.

(f) The performance of any function under this Order shall be done in consultation with interested Federal departments and agencies represented on the NRT, as well as with any other interested Federal agency.

(g) The following functions vested in the President by the Act which have been delegated or assigned by this Order may be redelegated to the head of any Executive

department or agency with his consent: functions set forth in Sections 2 (except subsection (b)), 3, 4(b), 4(c), 4(d), 5(b), 5(c), and 8(c) of this Order.

(h) Executive Order No. 12316 of August 14, 1981, is revoked.

RONALD REAGAN

The White House,
January 23, 1987.

[Filed with the Office of the Federal Register, 2:35 p.m., January 27, 1987]

Note: The Executive order was released by the Office of the Press Secretary on January 26.

Statement on the Resumption of the Conference on Security and Cooperation in Europe

January 26, 1987

The followup meeting of the Conference on Security and Cooperation in Europe (CSCE) resumes its important work tomorrow in Vienna. It is charged with taking stock of developments in the "Helsinki process" and with charting the path ahead. The United States has worked energetically and in concert with our NATO allies to support full implementation of the Helsinki Final Act. All CSCE states must fulfill their commitments if we are to realize the promise of a more secure peace with respect for human rights and with greater cooperation among all the peoples of Europe and North America.

Progress has been achieved in some areas, but the human rights situation within the Soviet Union and other nations of Eastern Europe remains tragic. The resolution of some prominent individual cases is welcome, and we hope it will continue. However, sporadic gestures must be expanded into universal practice. Our attention must not be diverted from the severe abuses of human rights that persist. During the last round of the Vienna meeting, the United

States and other allied delegations documented in detail failures by the Soviet Union and its Warsaw Pact allies to keep their Helsinki promises, particularly on human rights.

Looking ahead, the United States continues to believe that the credibility of the CSCE process depends on fulfillment of commitments already undertaken. We seek signs that the East is prepared to take actions—and not just offer words—to solve such problems as the treatment of Helsinki monitors and other political prisoners, divided families and spouses, persecution of religious believers, denial of the right of emigration, and radio jamming. Significant progress on these issues would establish the basis for a constructive and balanced outcome at Vienna. Such an outcome would not only give renewed impetus to the Helsinki process but also mark a welcomed step forward in overall East-West relations. I have instructed Ambassador Warren Zimmermann, Chairman of the United States delegation, to work toward these important goals.

Statement on the Kidnapings of United States Citizens in Lebanon *January 26, 1987*

All Americans, I know, share my outrage at the latest kidnappings of our citizens in Lebanon. Not only Americans but more than 20 citizens from 9 countries are now being held by terrorist groups there. Today my sympathy goes out to the friends and relatives of all these hostages. The terrorists appear to believe that by trafficking in human lives they can force sovereign governments to give in to their demands. But our government will not make concessions to terrorist groups despite their threats. For to give in to terrorist blackmail would only encourage more terrorism; to yield to their demands now would only endanger the lives of many others later.

I would like to add a special word to Americans in Lebanon. Where U.S. citizens are unjustly deprived of their God-given rights, the U.S. Government has an obligation to try to restore those rights. But there is a limit to what our government can do for Americans in a chaotic situation such as that in Lebanon today. In particular, the situation in West Beirut has deteriorated to total anarchy, with armed criminal groups taking the law into their own hands. For the past 12 years our government has regularly warned American citizens against

travel to Lebanon. As recently as last Tuesday we reiterated our assessment that the situation there is "extremely dangerous." The events of the past week provide striking confirmation of that assessment. Americans who ignored this warning clearly did so at their own risk and on their own responsibility. This weekend the U.S. Ambassador to Lebanon again was in contact with remaining Americans and advised them to leave.

Those who hold hostages, regardless of nationality, should release them immediately and unconditionally. Their acts of terror constitute a declaration of war on civilized society. I again join with civilized countries in condemnation of terrorist outrages. In conclusion, let me stress again that our government remains unrelenting and alert in its search for opportunities to secure the release of our citizens no matter how long that may take.

Note: On January 24th, Robert Polhill, Alann Steen, Jesse Turner, and Mithileshwar Singh, who were professors at Beirut University College, were abducted by terrorists. Mr. Singh, who had permanent resident status in the United States, was released by his captors on October 3, 1988.

Nomination of Alfred Hugh Kingon To Be United States Representative to the European Communities, With the Rank of Ambassador *January 26, 1987*

The President today announced his intention to nominate Alfred Hugh Kingon, of New York, as the Representative of the United States of America to the European Communities, with the rank and status of Ambassador Extraordinary and Plenipotentiary. He succeeds J. William Middendorf II.

Since 1985 Mr. Kingon has been an Assistant to the President and Secretary of the Cabinet. Previously, he was Assistant Secre-

tary of the Treasury for Policy Planning and Communications, 1984; Assistant Secretary of Commerce for International Economic Policy, 1983-1984; a member of the executive committee of the President's Private Sector Survey for Cost Control, 1983-1984; and a member of the President's National Productivity Advisory Committee, 1982-1983. Mr. Kingon was with Macro Communications, Inc., in New York City, serving as

editor in chief of *Financial World*, 1973–1983, *Saturday Review*, 1980–1982, and editor of *Money and Credit*, 1970–1973. He was a portfolio manager for the Businessman's Fund in 1969–1971; a security analyst, vice president, and director of research for Scheinman, Hochstin & Trotta, 1967–1969; and an investment adviser with Burn-

ham & Co., 1963–1967.

Mr. Kingon graduated from Union College (B.A., 1953) and attended New York University Graduate School of Business Administration, 1956–1961. He is married to the former Jacqueline Joy Goldwyn, and they have one son. Mr. Kingon was born May 11, 1931, in Brooklyn, NY.

Proclamation 5602—National Day of Excellence, 1987 *January 26, 1987*

*By the President of the United States
of America*

A Proclamation

On January 28, 1986, America lost a great flagship, the Space Shuttle *Challenger*. Our Nation united in grief for the valiant crew and their families and in renewed resolve to move ahead with the peaceful exploration of space.

Our space program, and the scientists, engineers, and astronauts who have made it possible, symbolize the spirit of America: optimism and ingenuity, daring and determination. Their achievements have been an inspiration and a source of national pride. We admire the brilliance, the courage, and the hard work that have contributed to our country's preeminence in space.

Space exploration and the advanced technology that drives it benefit our laboratories, our industries, our farms, our hospitals, and our homes. This great adventure has enlarged our vision. Going outside our world we have come to know our own planet better—yes, and to love it as a tiny oasis of life in the engulfing vastness and silence of space. Our space program has given us a new confidence in what the future holds. We have seen expanded opportunities for scientific study, for industrial and commercial growth, for security, and for discovery.

We owe an immense debt of gratitude to our space pioneers—especially to those who

made the ultimate sacrifice. The crew of the *Challenger*—Michael J. Smith, Francis R. Scobee, Gregory B. Jarvis, Ronald E. McNair, Judith A. Resnik, Ellison S. Onizuka, and S. Christa McAuliffe—set a high standard in education and training, in skill and courage. We can offer them no finer tribute than a pledge from each of us to strive for excellence in whatever we do—to extend our grasp by reaching beyond it. For they have taught us that the sky is not the limit—not for Americans.

The Congress, by Public Law 99-478, has designated January 28, 1987, as a “National Day of Excellence” and authorized and requested the President to issue a proclamation in observance of this event.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim January 28, 1987, as the National Day of Excellence. I call upon the people of the United States to observe this occasion with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this twenty-sixth day of January, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 2:34 p.m., January 27, 1987]

Address Before a Joint Session of Congress on the State of the Union January 27, 1987

Mr. Speaker, Mr. President, distinguished Members of Congress, honored guests, and fellow citizens:

May I congratulate all of you who are Members of this historic 100th Congress of the United States of America. In this 200th anniversary year of our Constitution, you and I stand on the shoulders of giants—men whose words and deeds put wind in the sails of freedom. However, we must always remember that our Constitution is to be celebrated not for being old, but for being young—young with the same energy, spirit, and promise that filled each eventful day in Philadelphia's statehouse. We will be guided tonight by their acts, and we will be guided forever by their words.

Now, forgive me, but I can't resist sharing a story from those historic days. Philadelphia was bursting with civic pride in the spring of 1787, and its newspapers began embellishing the arrival of the Convention delegates with elaborate social classifications. Governors of States were called Excellency. Justices and Chancellors had reserved for them honorable with a capital "H." For Congressmen, it was honorable with a small "h." And all others were referred to as "the following respectable characters." [Laughter] Well, for this 100th Congress, I invoke special executive powers to declare that each of you must never be titled less than honorable with a capital "H." Incidentally, I'm delighted you are celebrating the 100th birthday of the Congress. It's always a pleasure to congratulate someone with more birthdays than I've had. [Laughter]

Now, there's a new face at this place of honor tonight. And please join me in warm congratulations to the Speaker of the House, Jim Wright. [Applause] Mr. Speaker, you might recall a similar situation in your very first session of Congress 32 years ago. Then, as now, the speakership had changed hands and another great son of Texas, Sam Rayburn—"Mr. Sam"—sat in your chair. I cannot find better words than those used by President Eisenhower that evening. He

said, "We shall have much to do together; I am sure that we will get it done and that we shall do it in harmony and good will." Tonight I renew that pledge. To you, Mr. Speaker, and to Senate Majority Leader Robert Byrd, who brings 34 years of distinguished service to the Congress, may I say: Though there are changes in the Congress, America's interests remain the same. And I am confident that, along with Republican leaders Bob Michel and Bob Dole, this Congress can make history.

Six years ago I was here to ask the Congress to join me in America's new beginning. Well, the results are something of which we can all be proud. Our inflation rate is now the lowest in a quarter of a century. The prime interest rate has fallen from the 21½ percent the month before we took office to 7½ percent today. And those rates have triggered the most housing starts in 8 years. The unemployment rate—still too high—is the lowest in nearly 7 years, and our people have created nearly 13 million new jobs. Over 61 percent of everyone over the age of 16, male and female, is employed—the highest percentage on record. Let's roll up our sleeves and go to work and put America's economic engine at full throttle. We can also be heartened by our progress across the world. Most important, America is at peace tonight, and freedom is on the march. And we've done much these past years to restore our defenses, our alliances, and our leadership in the world. Our sons and daughters in the services once again wear their uniforms with pride.

But though we've made much progress, I have one major regret: I took a risk with regard to our action in Iran. It did not work, and for that I assume full responsibility. The goals were worthy. I do not believe it was wrong to try to establish contacts with a country of strategic importance or to try to save lives. And certainly it was not wrong to try to secure freedom for our citizens held in barbaric captivity. But we did not achieve what we wished, and serious

mistakes were made in trying to do so. We will get to the bottom of this, and I will take whatever action is called for. But in debating the past, we must not deny ourselves the successes of the future. Let it never be said of this generation of Americans that we became so obsessed with failure that we refused to take risks that could further the cause of peace and freedom in the world. Much is at stake here, and the Nation and the world are watching to see if we go forward together in the national interest or if we let partisanship weaken us. And let there be no mistake about American policy: We will not sit idly by if our interests or our friends in the Middle East are threatened, nor will we yield to terrorist blackmail.

And now, ladies and gentlemen of the Congress, why don't we get to work? I am pleased to report that because of our efforts to rebuild the strength of America, the world is a safer place. Earlier this month I submitted a budget to defend America and maintain our momentum to make up for neglect in the last decade. Well, I ask you to vote out a defense and foreign affairs budget that says yes to protecting our country. While the world is safer, it is not safe.

Since 1970 the Soviets have invested \$500 billion more on their military forces than we have. Even today, though nearly 1 in 3 Soviet families is without running hot water and the average family spends 2 hours a day shopping for the basic necessities of life, their government still found the resources to transfer \$75 billion in weapons to client states in the past 5 years—clients like Syria, Vietnam, Cuba, Libya, Angola, Ethiopia, Afghanistan, and Nicaragua. With 120,000 Soviet combat and military personnel and 15,000 military advisers in Asia, Africa, and Latin America, can anyone still doubt their single-minded determination to expand their power? Despite this, the Congress cut my request for critical U.S. security assistance to free nations by 21 percent this year, and cut defense requests by \$85 billion in the last 3 years.

These assistance programs serve our national interests as well as mutual interests. And when the programs are devastated, American interests are harmed. My friends, it's my duty as President to say to you again

tonight that there is no surer way to lose freedom than to lose our resolve. Today the brave people of Afghanistan are showing that resolve. The Soviet Union says it wants a peaceful settlement in Afghanistan, yet it continues a brutal war and props up a regime whose days are clearly numbered. We are ready to support a political solution that guarantees the rapid withdrawal of all Soviet troops and genuine self-determination for the Afghan people.

In Central America, too, the cause of freedom is being tested. And our resolve is being tested there as well. Here, especially, the world is watching to see how this nation responds. Today over 90 percent of the people of Latin America live in democracy. Democracy is on the march in Central and South America. Communist Nicaragua is the odd man out—suppressing the church, the press, and democratic dissent and promoting subversion in the region. We support diplomatic efforts, but these efforts can never succeed if the Sandinistas win their war against the Nicaraguan people.

Our commitment to a Western Hemisphere safe from aggression did not occur by spontaneous generation on the day that we took office. It began with the Monroe Doctrine in 1823 and continues our historic bipartisan American policy. Franklin Roosevelt said we "are determined to do everything possible to maintain peace on this hemisphere." President Truman was very blunt: "International communism seeks to crush and undermine and destroy the independence of the Americas. We cannot let that happen here." And John F. Kennedy made clear that "Communist domination in this hemisphere can never be negotiated." Some in this Congress may choose to depart from this historic commitment, but I will not.

This year we celebrate the second century of our Constitution. The Sandinistas just signed theirs 2 weeks ago, and then suspended it. We won't know how my words tonight will be reported there for one simple reason: There is no free press in Nicaragua. Nicaraguan freedom fighters have never asked us to wage their battle, but I will fight any effort to shut off their lifeblood and consign them to death, defeat,

or a life without freedom. There must be no Soviet beachhead in Central America.

You know, we Americans have always preferred dialog to conflict, and so, we always remain open to more constructive relations with the Soviet Union. But more responsible Soviet conduct around the world is a key element of the U.S.-Soviet agenda. Progress is also required on the other items of our agenda as well—real respect for human rights and more open contacts between our societies and, of course, arms reduction.

In Iceland, last October, we had one moment of opportunity that the Soviets dashed because they sought to cripple our Strategic Defense Initiative, SDI. I wouldn't let them do it then; I won't let them do it now or in the future. This is the most positive and promising defense program we have undertaken. It's the path, for both sides, to a safer future—a system that defends human life instead of threatening it. SDI will go forward. The United States has made serious, fair, and far-reaching proposals to the Soviet Union, and this is a moment of rare opportunity for arms reduction. But I will need, and American negotiators in Geneva will need, Congress' support. Enacting the Soviet negotiating position into American law would not be the way to win a good agreement. So, I must tell you in this Congress I will veto any effort that undercuts our national security and our negotiating leverage.

Now, today, we also find ourselves engaged in expanding peaceful commerce across the world. We will work to expand our opportunities in international markets through the Uruguay round of trade negotiations and to complete an historic free trade arrangement between the world's two largest trading partners, Canada and the United States. Our basic trade policy remains the same: We remain opposed as ever to protectionism, because America's growth and future depend on trade. But we would insist on trade that is fair and free. We are always willing to be trade partners but never trade patsies.

Now, from foreign borders let us return to our own, because America in the world is only as strong as America at home. This 100th Congress has high responsibilities. I

begin with a gentle reminder that many of these are simply the incomplete obligations of the past. The American people deserve to be impatient, because we do not yet have the public house in order. We've had great success in restoring our economic integrity, and we've rescued our nation from the worst economic mess since the Depression. But there's more to do. For starters, the Federal deficit is outrageous. For years I've asked that we stop pushing onto our children the excesses of our government. And what the Congress finally needs to do is pass a constitutional amendment that mandates a balanced budget and forces government to live within its means. States, cities, and the families of America balance their budgets. Why can't we?

Next, the budget process is a sorry spectacle. The missing of deadlines and the nightmare of monstrous continuing resolutions packing hundreds of billions of dollars of spending into one bill must be stopped. We ask the Congress once again: Give us the same tool that 43 Governors have—a line-item veto so we can carve out the boondoggles and pork, those items that would never survive on their own. I will send the Congress broad recommendations on the budget, but first I'd like to see yours. Let's go to work and get this done together.

But now let's talk about this year's budget. Even though I have submitted it within the Gramm-Rudman-Hollings deficit reduction target, I have seen suggestions that we might postpone that timetable. Well, I think the American people are tired of hearing the same old excuses. Together we made a commitment to balance the budget. Now let's keep it. As for those suggestions that the answer is higher taxes, the American people have repeatedly rejected that shop-worn advice. They know that we don't have deficits because people are taxed too little. We have deficits because big government spends too much.

Now, next month I'll place two additional reforms before the Congress. We've created a welfare monster that is a shocking indictment of our sense of priorities. Our national welfare system consists of some 59 major programs and over 6,000 pages of Federal laws and regulations on which more than

\$132 billion was spent in 1985. I will propose a new national welfare strategy, a program of welfare reform through State-sponsored, community-based demonstration projects. This is the time to reform this outmoded social dinosaur and finally break the poverty trap. Now, we will never abandon those who, through no fault of their own, must have our help. But let us work to see how many can be freed from the dependency of welfare and made self-supporting, which the great majority of welfare recipients want more than anything else. Next, let us remove a financial specter facing our older Americans: the fear of an illness so expensive that it can result in having to make an intolerable choice between bankruptcy and death. I will submit legislation shortly to help free the elderly from the fear of catastrophic illness.

Now let's turn to the future. It's widely said that America is losing her competitive edge. Well, that won't happen if we act now. How well prepared are we to enter the 21st century? In my lifetime, America set the standard for the world. It is now time to determine that we should enter the next century having achieved a level of excellence unsurpassed in history. We will achieve this, first, by guaranteeing that government does everything possible to promote America's ability to compete. Second, we must act as individuals in a quest for excellence that will not be measured by new proposals or billions in new funding. Rather, it involves an expenditure of American spirit and just plain American grit. The Congress will soon receive my comprehensive proposals to enhance our competitiveness, including new science and technology centers and strong new funding for basic research. The bill will include legal and regulatory reforms and weapons to fight unfair trade practices. Competitiveness also means giving our farmers a shot at participating fairly and fully in a changing world market.

Preparing for the future must begin, as always, with our children. We need to set for them new and more rigorous goals. We must demand more of ourselves and our children by raising literacy levels dramatically by the year 2000. Our children should master the basic concepts of math and science, and let's insist that students not leave

high school until they have studied and understood the basic documents of our national heritage. There's one more thing we can't let up on: Let's redouble our personal efforts to provide for every child a safe and drug-free learning environment. If our crusade against drugs succeeds with our children, we will defeat that scourge all over the country.

Finally, let's stop suppressing the spiritual core of our national being. Our nation could not have been conceived without divine help. Why is it that we can build a nation with our prayers, but we can't use a schoolroom for voluntary prayer? The 100th Congress of the United States should be remembered as the one that ended the expulsion of God from America's classrooms.

The quest for excellence into the 21st century begins in the schoolroom but must go next to the workplace. More than 20 million new jobs will be created before the new century unfolds, and by then, our economy should be able to provide a job for everyone who wants to work. We must also enable our workers to adapt to the rapidly changing nature of the workplace. And I will propose substantial, new Federal commitments keyed to retraining and job mobility.

Over the next few weeks, I'll be sending the Congress a complete series of these special messages—on budget reform, welfare reform, competitiveness, including education, trade, worker training and assistance, agriculture, and other subjects. The Congress can give us these tools, but to make these tools work, it really comes down to just being our best. And that is the core of American greatness. The responsibility of freedom presses us towards higher knowledge and, I believe, moral and spiritual greatness. Through lower taxes and smaller government, government has its ways of freeing people's spirits. But only we, each of us, can let the spirit soar against our own individual standards. Excellence is what makes freedom ring. And isn't that what we do best?

We're entering our third century now, but it's wrong to judge our nation by its years. The calendar can't measure America because we were meant to be an endless

experiment in freedom—with no limit to our reaches, no boundaries to what we can do, no end point to our hopes. The United States Constitution is the impassioned and inspired vehicle by which we travel through history. It grew out of the most fundamental inspiration of our existence: that we are here to serve Him by living free—that living free releases in us the noblest of impulses and the best of our abilities; that we would use these gifts for good and generous purposes and would secure them not just for ourselves and for our children but for all mankind.

Over the years—I won't count if you don't—nothing has been so heartwarming to me as speaking to America's young, and the little ones especially, so fresh-faced and so eager to know. Well, from time to time I've been with them—they will ask about our Constitution. And I hope you Members of Congress will not deem this a breach of protocol if you'll permit me to share these thoughts again with the young people who might be listening or watching this evening. I've read the constitutions of a number of countries, including the Soviet Union's. Now, some people are surprised to hear that they have a constitution, and it even supposedly grants a number of freedoms to its people. Many countries have written into their constitution provisions for freedom of speech and freedom of assembly. Well, if this is true, why is the Constitution of the United States so exceptional?

Well, the difference is so small that it almost escapes you, but it's so great it tells you the whole story in just three words: We the people. In those other constitutions, the Government tells the people of those countries what they're allowed to do. In our Constitution, we the people tell the Government what it can do, and it can do only those things listed in that document and no others. Virtually every other revolution in history has just exchanged one set of rulers for another set of rulers. Our revolution is the first to say the people are the masters and government is their servant. And you young people out there, don't ever forget that. Someday you could be in this room, but wherever you are, America is depending on you to reach your highest and be your best—because here in America, we the

people are in charge.

Just three words: We the people—those are the kids on Christmas Day looking out from a frozen sentry post on the 38th parallel in Korea or aboard an aircraft carrier in the Mediterranean. A million miles from home, but doing their duty.

We the people—those are the warmhearted whose numbers we can't begin to count, who'll begin the day with a little prayer for hostages they will never know and MIA families they will never meet. Why? Because that's the way we are, this unique breed we call Americans.

We the people—they're farmers on tough times, but who never stop feeding a hungry world. They're the volunteers at the hospital choking back their tears for the hundredth time, caring for a baby struggling for life because of a mother who used drugs. And you'll forgive me a special memory—it's a million mothers like Nelle Reagan who never knew a stranger or turned a hungry person away from her kitchen door.

We the people—they refute last week's television commentary downgrading our optimism and our idealism. They are the entrepreneurs, the builders, the pioneers, and a lot of regular folks—the true heroes of our land who make up the most uncommon nation of doers in history. You know they're Americans because their spirit is as big as the universe and their hearts are bigger than their spirits.

We the people—starting the third century of a dream and standing up to some cynic who's trying to tell us we're not going to get any better. Are we at the end? Well, I can't tell it any better than the real thing—a story recorded by James Madison from the final moments of the Constitutional Convention, September 17th, 1787. As the last few members signed the document, Benjamin Franklin—the oldest delegate at 81 years and in frail health—looked over toward the chair where George Washington daily presided. At the back of the chair was painted the picture of a Sun on the horizon. And turning to those sitting next to him, Franklin observed that artists found it difficult in their painting to distinguish between a rising and a setting Sun.

Well, I know if we were there, we could see those delegates sitting around Franklin—leaning in to listen more closely to him. And then Dr. Franklin began to share his deepest hopes and fears about the outcome of their efforts, and this is what he said: “I have often looked at that picture behind the President without being able to tell whether it was a rising or setting Sun. But now at length I have the happiness to know that it is a rising and not a setting Sun.” Well, you can bet it’s rising because,

my fellow citizens, America isn’t finished. Her best days have just begun.

Thank you, God bless you, and God bless America.

Note: The President spoke at 9:03 p.m. in the House Chamber of the Capitol. He was introduced by Jim Wright, Speaker of the House of Representatives. The address was broadcast live on nationwide radio and television.

Message to the Congress on “A Quest for Excellence” January 27, 1987

To the Congress of the United States:

I. INTRODUCTION

Tonight, I have come personally before the Congress to report on the State of our Union and outline how we can meet the goal of renewing the American spirit—a spirit of excellence. To achieve this, I have asked all Americans to commence a new Quest for Excellence that will produce the third great American century. I said about America: her best days have just begun.

This message—*A Quest for Excellence*—spells out in greater detail how we as a nation can successfully meet the challenge of that century.

II. PREPARING FOR THE CHALLENGES AND OPPORTUNITIES OF THE TWENTY-FIRST CENTURY

Meeting the Competitive Challenge

America’s competitiveness in world markets is critical to maintaining and expanding our standard of living and the national security. I have established a national goal of assuring American competitive pre-eminence into the 21st century. Achieving that goal is the responsibility of all Americans.

Businesses must work more efficiently, setting high standards of quality, streamlining operations, discarding outmoded systems and management styles, adapting to change, and building on their tradition as entrepreneurs who saw a better way, had a

better idea, worked a little harder. Workers must be enabled to reach their potential by taking advantage of new technologies and investing in education, training, self-improvement, and a pride in their work. Families, in concert with State and local governments, have the greatest responsibility of all—creating an educational environment that can make our children productive citizens, able to achieve the best both spiritually and materially. We must strive for excellence in education.

To fulfill the Federal Government’s responsibilities, I am launching a six-part program aimed at:

1. Increasing investment in human and intellectual capital;
2. Promoting the development of science and technology;
3. Better protecting intellectual property;
4. Enacting essential legal and regulatory reforms;
5. Shaping the international economic environment; and
6. Eliminating the Federal budget deficit.

Increasing Investment in Human Capital

The National Commission on Excellence in Education concluded in its report, *A Nation at Risk*, that “our once unchallenged pre-eminence in commerce, industry, science, and technological innovation is being overtaken by competitors throughout the world. . . . If an unfriendly foreign

power had attempted to impose on America the mediocre educational performance that exists today, we might well have viewed it as an act of war.”

Much progress has been made since the Commission’s report, but much remains to be done:

—Forty percent of thirteen year olds are reading below the skill level for their age;

—Only 75 percent of high school students graduate on time;

—SAT scores are considerably below where they were in the 1960s.

In order to correct this situation, our society must continue the reforms sparked by the National Commission’s report and focus education, particularly in the elementary and secondary schools, on acquiring the basic skills that will be necessary for jobs and careers in the 21st century. We must teach our children to read, write, and compute in the early grades. By the time of graduation from high school, at a minimum the students should have:

—four years of English;

—three years of mathematics;

—three years of science;

—three years of social science; and

—proficiency in the use of computers.

I am charging the Secretary of Education with continuing to work with our Nation’s governors to identify what works in American education and to seek out places of educational excellence that will serve as national models.

In addition, our colleges and universities should adopt more rigorous standards and higher expectations for academic and student conduct. Our teacher preparation curricula should shift from heavy emphasis on technique to subject matter mastery, and schools overall should do more to help parents form the character of their children. State and local governments also should consider extending the school year, as well as making better use of the time spent in school.

In addition, so that no one is left behind, we must renew our efforts and refocus our resources to help disadvantaged youth to enter the mainstream of our society. The Department of Education will be developing and publishing a *What Works* on the education of the disadvantaged. Further-

more, my Administration is proposing reauthorization of Chapters 1 and 2 of the Education Consolidation and Improvement Act (ECIA) and targeting resources on the neediest schools and youngsters; fostering greater innovation, experimentation, and parental choice; building accountability into the program; and providing incentives and rewards for success.

To assure that every American—no matter what age—learns to speak, read, and write English so as to be able to fully participate in our society and take advantage of the opportunities it affords, I am announcing a goal of raising literacy levels dramatically by the year 2000. In addition, we will be submitting proposals to reform bilingual education, allowing greater flexibility and innovation in federally funded bilingual education programs.

Promoting flexible job skills and greater work force mobility is also an important part of competitiveness. We will be proposing a new program to help all workers who are displaced by adverse economic factors, such as rural economic problems, technological changes at the workplace, or increased imports. This \$1 billion program, combining the best elements of the current Trade Adjustment Assistance (TAA) and Job Training Partnership Act (JTPA) programs, will help an estimated 700,000 additional workers each year to adjust to change, learn new skills, or update old ones through retraining and counseling programs developed under the guidance of local private industry councils (PICs). It will also provide incentives for early return to the work force to lessen the burden on our unemployment insurance program.

In addition, we will be proposing necessary legislative changes in the administration of our Employment Service (ES) and Unemployment Insurance (UI) programs. These changes will give States greater flexibility in developing comprehensive approaches to target human capital problems. Specifically, we will ask that we amend our UI laws to devolve the financing, operation, and administration of these programs to the States, and that we amend the Wagner-Peyser Act to enhance State capability in designing and administering community

labor exchange services.

Equally as important as helping dislocated workers to adjust to new demands of an increasingly global market is assuring that economically disadvantaged youth are not forgotten. We must assure that they are given the help and opportunities to acquire skills to make them productive citizens in an America that will critically need their talents.

My Administration is proposing an \$800 million youth initiative targeted towards improving the skills of children in welfare families. This program would permit States and localities to use Federal funds to provide summer jobs, develop year-round remedial education and job training services, or a mixture of both. In addition, we will propose a new employment and training effort under the AFDC program: Greater Opportunities through Work (GROW). This program will encourage teenage parents and other young recipients of AFDC assistance who do not have a high school education to either stay in or return to school. Services under these programs could include remedial education and skills training that would help these young people break out of the welfare cycle and move towards real opportunities for rewarding careers and jobs.

Finally, I have asked the Secretary of Labor to initiate a study of the private pension system to see how it could be improved to reduce barriers to greater mobility in the U.S. work force. In addition, to enhance the effectiveness of the private pension system in providing retirement income security to American workers, my Administration will propose statutory changes to the Employee Retirement Income Security Act (ERISA) to make it more flexible in dealing with overfunded pension plans while requiring employers to take needed steps to strengthen underfunded plans.

Promoting the Development of Science and Technology

Science and technology are fundamental to U.S. competitiveness. America's pre-eminence in research and innovation has long been the envy of the world and a critical source of our national strength. Break-

throughs by Americans in such areas as medicine and transportation have consistently set the pace for an improved standard of living around the world, and American developments in communications, space, and even entertainment have captured the imagination of successive generations, setting benchmarks for American excellence in the years to come.

But, we must recognize that our trading partners, in their desire to improve their standards of living and market share, are catching up. We must ensure that adequate incentives are in place that will not only maintain our pre-eminence in initiating ideas and know-how, but also our lead in setting the pace at which these are translated into new products and processes.

Our policies must serve three broad objectives:

1. Generating new knowledge in the sciences and advanced technology;
2. Swiftly transferring technologies to the marketplace; and
3. Expanding the Nation's talent base in science and technology fields.

We will initiate a number of measures to achieve these objectives. I am proposing that we double over 5 years the budget of the National Science Foundation. My Administration will establish a number of new government-private "science and technology centers" based at U.S. universities. These centers will focus on fundamental science that has the potential to contribute to our Nation's economic competitiveness, including areas such as robotics for automated manufacturing and micro electronics, new materials processing, and biotechnology.

I am directing the Departments of Agriculture, Commerce, Energy, and Health and Human Services and the National Aeronautics and Space Administration to initiate a "Technology Share" program involving multi-year, joint basic and applied research with consortia of U.S. firms and universities.

We also will initiate a "People-to-People" exchange program in which scientists and engineers from Federal laboratories and the private sector will be encouraged to make their expertise available to each other through temporary assignment exchanges.

In addition to improved access to the

know-how of our Federal scientists, the U.S. private sector must be encouraged to take advantage of our Federal science and technology enterprise. Since 1982, we have taken several actions to help commercialize the results of federally funded research by transferring management of Federal technology to those closest to its invention and encouraging cooperation on basic research between government and industry and among businesses. To enhance these efforts, I will issue an Executive order containing a number of measures:

- To encourage scientists working in Federal laboratories to patent, license, and commercialize their research so that the private sector, including consumers, can benefit, Federal agencies must implement royalty sharing programs with Federal inventors;

- To fully exploit foreign science and technology, the Department of State will develop a vigorous recruitment policy that encourages scientists and engineers from other Federal agencies, academia, and industry to apply for assignments in U.S. embassies abroad; and

- To promote technology transfers and commercial spin-offs from Federal research and development efforts, Federal agencies and federally operated laboratories will seek out "science entrepreneurs" to act as conduits between the laboratories and business, venture capitalists, and universities;

- To ensure that industry and academia benefit from research and technology abroad, the Departments of State and Commerce and the National Science Foundation will develop a mechanism to ensure that this information is made available in a prompt and efficient manner.

My Administration will implement a policy permitting all Federal contractors to own software, engineering drawings, and other technical data generated by Federal contracts in exchange for royalty-free use by the government. This will help commercialize non-patentable results of federally funded research.

Because it is important that business have adequate incentives to fund research here in the United States, we are seeking legal and regulatory stability for research and development in the R&D tax credit, as well as

Section 861 tax rulings on the allocation of R&D expenditures overseas.

Speaking of incentives, we must not forget the scientists and engineers of tomorrow—our children. Not only should we help our young people become more familiar and interested in science and engineering careers, but we must also broaden our notions of "basic skills". I am directing that the National Science Foundation and other Federal science agencies work with the Department of Education and State and local governments to assure that our children have the scientific literacy needed for the 21st century. To promote interest in careers in science and engineering, these agencies will:

- establish internships for promising students at Federally supported research labs;

- advise in the development of first-rate scientific and technical curricula—textbooks, software, and lab materials—using the expertise of top U.S. scientists and engineers;

- provide matching contributions to schools and universities for instructional scientific equipment and computers; and

- undertake promotional efforts regarding science and technology careers for minorities and women.

My Administration is also expanding our strong budgetary support for basic research, which has grown in real terms by 42 percent since 1981. Key new or expanded initiatives proposed in my 1988 Budget include design and construction by the United States, in conjunction with our friends and allies, of a permanently manned space station; development of a National Aerospace Plane; development of advanced civil space technology; global geospace science and planetary sciences programs; improved manufacturing technologies; hyper-speed integrated circuits; and mapping human DNA.

The Department of Defense in fulfilling its mission of ensuring our national security, also plays an important role in contributing to U.S. economic competitiveness. I am directing the Department of Defense, whose investment in R&D, testing, and evaluation will increase about 17 percent this year, and has more than doubled since 1982, to

accelerate its ongoing efforts to “spin off” technologies to the private sector. Previous commercial applications of defense technology have included such things as night vision capability for use in police and rescue work and computer-based reading training programs to develop basic and job skills. Technologies targeted for future potential spinoffs include: ceramic composite materials for more efficient engines; ultra-reliable radar for air traffic control systems and commercial aircraft; and enzymes for improved toxic waste disposal and decontamination. In addition to its primary function of strengthening deterrence, our Strategic Defense Initiative (SDI) should yield important spin-offs. As with the Apollo and space shuttle programs before it, SDI will advance scientific progress across a broad range. The Department of Defense will also work to assist industry in renewing its manufacturing competitiveness in the critical technologies.

Better Protecting Intellectual Property

Critically related to improving development of science and technology is ensuring protection, both domestically and internationally, of the property rights of inventors of new products and services and creators of new ideas and works of art.

We will seek statutory changes to: encourage patent owners to engage in newer and more novel ways to license their patents by limiting the “patent misuse doctrine;” raise protection for products resulting from patented processes to the same level as that accorded such products by our major trading partners; and amend the Clayton Antitrust Act to provide a more flexible standard of review for intellectual property licensing arrangements. Furthermore, we will restore the bargaining power of parties contracting to license technology by codifying and clarifying the Supreme Court holding in *Lear v. Adkins*; eliminating the current injury requirement from Section 337 ITC proceedings to exclude imports; and restoring the term of patents covering agricultural chemical products and animal drugs up to a maximum of 5 years to account for the period lost due to mandatory Federal premarketing regulatory review and testing. My administration will propose

statutory changes to: reduce the cost of defending patent rights by: (1) mandating an award of attorneys’ fees in frivolous suits on cases of willful infringement; and (2) requiring challenges to patent validity to first go through an administrative proceeding before going to court.

We will also seek a “technological” solution to the potential problem of unauthorized copying of copyrighted material on digital audio tape recorders.

We will also be proposing the necessary statutory changes to our copyright law to permit the United States to join the Berne Convention for the Protection of Literary and Artistic Works. Seventy-six countries have signed this treaty; by joining, our country will gain copyright relations with approximately 20 countries with which we currently have none, or relations are unclear.

I am directing all Federal agencies to take into account the treatment of U.S. intellectual property when they are negotiating international agreements or providing bilateral economic assistance.

I will issue an Executive order to better protect business confidentiality under the Freedom of Information Act (FOIA) by giving businesses the opportunity to object to the release of commercial information submitted to the government.

My Administration will also propose statutory changes to FOIA expanding the definition of the “trade secrets” and “confidential commercial information” exemption to permit the government to withhold information that would cause harm to the Federal Government or commercial sector if released.

In addition, the Patent and Trademark Office will be making its technology file of U.S. patents and English language abstracts of Japanese and European patents available as a research tool to business and universities through private contractors or regional search centers.

Enacting Essential Legal and Regulatory Reform

Outmoded rules, regulations, excessive paperwork, and self-imposed disincentives can place us at a major disadvantage in an

increasingly competitive world marketplace. We will propose a number of legal and regulatory reforms to eliminate these obstacles to competitiveness.

We must stop draining off resources from our economy through product liability judgments that have gotten out of hand. We will propose legislative measures to reduce the costly product liability insurance spiral affecting the production costs of U.S. goods while still providing the necessary protections for consumer health and safety.

Businesses in the 21st century will have to compete on a global scale; to do so, they cannot be bound by rules designed to fit the far different markets of the early 20th century. Thus we will be proposing anti-trust refinements to allow firms to develop new ways of organizing and operating that take account of the increasingly global nature of markets.

I am directing the Cabinet to undertake a review of the export controls program and report to me by early March, 1987. While preserving U.S. security interests, the Cabinet is to provide recommendations to achieve the following: decontrolling technologies that offer no serious threat to U.S. security; eliminating unilateral controls in those areas where there is widespread foreign availability; and reducing the time necessary to acquire a license by at least one-third and implementing a fair, equitable, and timely dispute resolution process. These actions must be coordinated with efforts by our allies to make procedures more uniform and enforcement more rigorous.

We will reinforce our efforts to improve the competitiveness of American industry through deregulation and paperwork reduction. I have asked Vice President Bush to direct the Task Force on Regulatory Relief to take a fresh look at the Federal regulatory structure from the competitiveness standpoint and to improve or eliminate unnecessary regulatory and paperwork burdens. We will press for legislation to complete the deregulation of the trucking industry and will oppose efforts to re-regulate air and rail transportation. We will continue to pursue legislation to seek full deregulation of the pricing and transportation of natural gas, including repeal of demand restraints in the Fuel Use Act, and to repeal

the windfall profits tax. We will also propose legislation to implement oil pipeline deregulation.

Shaping the International Economic Environment

The litmus test of whether we will be truly competitive in the 21st century will be our ability to meet the competition head-on—and win—in the international marketplace. The Federal Government can play a key role here by helping to shape an international environment in which American knowledge, talent, and entrepreneurship can flourish.

In an increasingly interdependent world, currency flows, foreign government policies with respect to spending, saving and taxes, and trends in foreign investment all have a major impact on the competitiveness of American firms. We must shape these factors in ways that enhance, not inhibit, our competitiveness. This will require improved economic and monetary cooperation on a global scale. We will build on progress over the past year, including the new institutional arrangements we have developed both multilaterally and bilaterally, to guarantee a more stable and realistic value for the dollar, improved growth abroad, and an accompanying growth in markets for American firms.

The developing countries, particularly those in Latin America, represent new, growth markets of the next century. We will work to ensure that these markets meet their full potential by pressing our initiative on the debt problem, with a view towards increasing private investment and encouraging the necessary policy reforms within the developing world.

My Administration has aggressively used the funding provided in last year's "war chest" legislation to combat aggressively foreign predatory financing practices. We will focus our efforts on achieving an international agreement limiting these practices. But at the same time, our trading partners and competitors should be on notice that we will use our full authorities to counter foreign subsidized credit offers. To this end, we will be seeking the additional \$200 million in "war chest" monies promised last

year.

We will not tolerate closed markets, trade barriers, and unfair foreign subsidies that disadvantage American firms in the world marketplace. We will aggressively seek to open foreign markets through multilateral and bilateral negotiations and eliminate foreign unfair trade practices whenever and wherever they occur through the active use of our trade laws.

We must ensure that the laws of the trading system recognize the commercial realities of the 21st century. We made major progress this past year in securing the launch of a new round of multilateral trade negotiations in GATT. We will push hard for quick results from the Uruguay Round in areas critical to our competitive future, including agriculture, services, intellectual property, and investment.

We will also seek to achieve a major market opening close to home. More trade passes between the United States and Canada than between any other two countries in the world. We are now engaged in historic negotiations with Prime Minister Mulroney's government on a free trade agreement that will improve commercial opportunities on both sides of the border and serve as a model for trade liberalization on a global scale. We will work with the Canadians and the Congress to conclude an agreement in our mutual interests.

We will continue to assure that bribery to gain markets is deterred with criminal sanctions. However, uncertainty and ambiguity arising from portions of the Foreign Corrupt Practices Act serve as a needless disincentive to American business. My Administration will again propose amendments that eliminate these uncertainties by clarifying the Act's "reason to know" and other provisions and reduce its costly and duplicative accounting requirements.

Our trade laws have proven to be effective instruments for opening foreign markets and defending American industries against unfair practices on the part of our competitors. I will propose improvements to these laws that will enhance our ability to meet the challenges from abroad without erecting protectionist barriers at home. Our proposals will emphasize opening markets through multilateral and bilateral negotia-

tion, not closing them; encouraging adjustment while providing improved relief to industries injured by import competition; and tightening our laws to make them more effective in dealing with unfair foreign competition.

Reforming Federal Spending

Controlling Federal spending remains an essential element of our efforts to strengthen the economy and place it on a firm footing for the future. My Administration is continuing efforts to reduce the deficit. We have proposed a budget that meets the Gramm-Rudman-Hollings deficit target, and does so by reducing spending, not by raising taxes. I urge its passage by the Congress.

Working together, we need to begin to explore ways in which the budget process itself can be reformed and improved. Many Members of Congress feel that the system through which budget decisions are made is not working the way it should, and I share that view. Its deficiencies, unfortunately, are reflected in the results. Deadlines for congressional action too often are missed or ignored; the threat of a government-wide shutdown has become an almost regular feature of the beginning of fiscal years; and the end product of this process remains a Federal budget that provides for excessive spending and a large deficit. I am committed to working with the Congress to establish procedures to encourage cooperation rather than confrontation between the Executive and Legislative branches on the crucial issues of Federal spending and to adopt measures that will help make the budget process more responsible and more accountable.

Finally, I will again propose that the Congress adopt a Balanced Budget Amendment to the Constitution and the establishment of a line-item veto. Adoption of a Balanced Budget Amendment would represent our acceptance of a simple yet fundamental principle—the Federal government must live within its means. A line-item veto would further enhance our capacity to reduce and eliminate wasteful and redundant expenditures. I strongly recommend that these two reforms be adopted.

Agriculture

From the beginning of this Republic, agriculture has been the backbone of America and is the Nation's largest single industry. We can be proud that each American farmer now feeds 88 of our citizens plus 30 people abroad. Yet in spite of this bounty, all is not well in rural America. Farmers have suffered from events that in many cases have been beyond their control, such as unfavorable currency exchange rates, unfair competition, and government interference. Still, most farmers retain their faith in America and their dedication to our free enterprise system. We must stand by them through these troubled times.

Major farm legislation was put into effect last year to address those concerns. The Food Security Act of 1985 was a significant improvement over previous legislation but has not addressed several continuing problems. Commodity programs still provide too much incentive for overproduction. Our farmers are required to produce to qualify for payments and loans. Program costs are at an historic high, and some farmers receive very large individual payments. In addition, our sugar program is unfair to our consumers, our trading partners, and many developing countries.

We will ask the Congress to make improvements in farm legislation. Our proposal will be designed to break the link between eligibility for payments and production decisions, to further lower target prices and loan rates and to impose tighter limits on farm program payments. We will also ask for an overhaul of our sugar program. These changes will help U.S. agriculture focus more on market forces and less on Washington; net outlays for agriculture will come down gradually and will still be very generous for the next several years. The resulting reduced government influence and greater reliance on the marketplace will be essential to the long-term competitiveness and viability of U.S. agriculture. At the same time, we will continue to press aggressively for comprehensive agricultural negotiations during the Uruguay Round. Our farmers deserve a level playing field in order to compete fairly in international trade and we are committed to make that

objective a reality.

Competitive Financial Services

The financial services industry must be permitted to keep pace with changing technology, global competition, and consumer demand for expanded services. I am proposing that the Congress implement the recommendations of Vice President Bush's Task Force on the Regulation of Financial Services. We must rationalize our Federal regulatory structure.

A little over 1 year ago, the Congress asked us to devise a plan to rescue the Federal Savings and Loan Insurance Corporation (FSLIC). We responded early in 1986 with a plan based on two fundamental principles. First, we have devised a truly self-help plan; the taxpayers will not be required to bailout a profitable industry that, with some measure of sacrifice over time, can help itself. Second, our recapitalization plan has sufficient resources (about \$25-30 billion over 5 years), available when necessary, to meet the very real problems that exist today. By giving FSLIC the resources to handle the hundreds of insolvent Savings & Loans still in operation, we will protect almost \$900 billion of depositors' savings insured by FSLIC.

Both Houses of Congress passed our FSLIC recapitalization plan in the closing days of the 99th Congress, but it was not enacted into law because of disagreements about unrelated amendments. We cannot afford additional delay. I urge the 100th Congress to enact our FSLIC plan quickly and cleanly so that it can get the resources it needs to safeguard America's small savers.

I also urge the Congress to work with us and the rapidly growing coalition of forward-looking financial firms to develop a comprehensive modernized legal structure for the financial services industry. The "protectionist" approach of repairing the crumbling walls of 50-year-old financial oligopolies will not work: consumer tastes, technology, the marketplace, and our international competition will move beyond.

Working men and women want to receive the best services at the lowest prices. They also seek safety and convenience. Our businesses and local governments want

competitive and innovative financial offerings. Many banks and other firms are pressing for an opportunity to supply these products and services. Our laws should not stop them.

We need to promote a freer, more competitive financial services marketplace, complete with proper supervision and meaningful disclosure. In doing so, we can help this vital American industry to reposition itself on the leading edge of the financial services world.

Management, Civil Service, and Procurement Reform

We will submit proposals to improve the management of the Federal Government. These management reform measures are designed to achieve long-term gains in Federal efficiency and productivity and include proposals to improve existing financial procedures, combat fraud, waste and abuse, and generally make more effective tools available to Federal managers. The Congress should establish productivity improvement as a national goal. There can be no more important task than that of delivering government services to all our citizens in a more efficient, effective, and timely manner.

As part of this effort, we will submit a number of proposals for civil service reform—proposals that will help our government give the American people what they pay for by deregulating the bureaucracy and by rewarding individual merit and achievement. By straightening out the way our Federal bureaucracy does its work, we can deliver on our promises to the American people quickly and efficiently. The proposed Civil Service Simplification Act will streamline an overly complex system. It will free our public servants from thousands of pages of unnecessary rules and regulations that have made it hard for them to do their jobs. As with deregulation of *private* business, this proposal will deregulate the *public's* business; it will provide for a Federal pay system truly based on merit and individual performance; it will, in other words, introduce into our Federal Government the traditional productive values of the American workplace: entrepreneurial freedom, responsiveness to the people, and reward

for hard work.

To aid in achieving the goal of a 3 percent annual productivity increase, we will also propose reform of seniority pay for Federal employees. This will introduce pay-for-performance throughout the government by shifting from the current system—which gives seniority-based salary raises to virtually all Federal employees regardless of personal achievement—to one based solidly on merit and individual performance. With stronger incentives to deliver, Federal employees will participate more in the program and apply their insights and skills to the development of productivity initiatives.

My Administration will propose that the Congress enact the Health Insurance and Payment Verification Act. This legislation would establish a process to ensure that existing employment based health insurance would pay health care costs before payment was sought from taxpayer funded health programs.

An expiring provision of the Deficit Reduction Act of 1984 allows the Federal Government to recover delinquent debts owed Federal agencies through the offset of income tax refunds otherwise due the taxpayer. This program is very successful and through legislation we will seek to extend this authority for another 2 years.

Last year, significant changes were made in defense procurement processes. My Administration will work with the Congress this year to make numerous needed reforms in the Federal Government's non-defense procurement area. These will include a comprehensive recodification of all existing procurement statutes into one simplified, consistent statute, as well as authority for Federal civilian agencies to enter into multiyear contracts. The Federal Government should depend more on the private sector to provide support services for Federal activities. We will pursue this objective through a variety of initiatives aimed at reducing any adverse effects on government employees from contracting out. For example, we will explore measures to encourage employees to form their own business and take over their government jobs as private contractors.

Government procurement should be

competitive in all aspects, including keeping pace with costs and salaries for comparable services procured by the private sector. We will propose legislation to increase the Davis-Bacon and Service Contract Act threshold levels to \$1 million for defense contracts and \$100,000 for non-defense Federal contracts. This increase is important in light of increases in salaries and other costs over the past several decades.

Credit Reform and Privatization

In order to operate more efficiently to the benefit of taxpayers, the government must take better account of the true budget costs of Federal credit programs. We are proposing legislation to reform government assistance programs by requiring that the present value of federally provided subsidies from any agency making or guaranteeing loans be appropriated in advance into a new central revolving fund within the Department of the Treasury. Newly made direct loans will be sold and new guarantees reinsured in order to establish the market value of federally assisted credit and measure the subsidy. This will improve both the allocation and management of Federal credit.

The private sector should have the opportunity wherever possible to produce goods and services currently provided by the Federal Government in order to reduce government expenditures as well as provide the benefits of market competition to consumers. In light of our successful efforts to authorize the sale of Conrail, we are now proposing the sale to the private sector of the Naval Petroleum Reserves, the Alaska Power Administration, the helium program, and excess real estate, as well as the disposition of certain Amtrak assets. We are proposing legislation to authorize a study of a possible potential divestiture of the Southeastern Power Administration. In addition, my Administration will expand our pilot program of selling existing loan assets without recourse.

Small Business and Entrepreneurship

Small business is at the cutting edge of America's competitiveness. The 1986 National White House Conference on Small Business has provided us with recommenda-

tions on many issues addressed by my legislative agenda. These recommendations are directed towards creating a better environment for our Nation's small business owners who, through their vitality and creativity, contribute significantly towards our prosperity. The recommendations range from tort law and product liability reform to reducing the deficit and improving our international trade position. These views have been incorporated in framing our positions on these issues. In addition, we soon will have a permanent Administrator for the Small Business Administration (SBA), and I can assure you that the small business will continue to have an important voice in the councils of government.

III. VALUES: THE SOURCE OF OUR EXCELLENCE

As we work to expand economic opportunity for all Americans, we must also take steps to sustain the traditional cultural and moral values that are the bedrock of American democracy. We must renew our belief in the dignity of self-supporting individuals and families, in safe and self-governing neighborhoods and communities, and in a government that is both limited and close to average citizens. By promoting policies that sustain and enrich these values, we can help to create an environment in which all Americans utilize their individual talents to achieve excellence and contribute to family, community, and nation.

Education

I have already said how important quality education is to our future economic success. But we must also promote policies that recognize the importance of education as the main transmitter of our shared history and values and as the primary means of escape from poverty for America's poor. Following the pattern of *What Works* and *Schools Without Drugs*, the practical handbooks issued in 1986, my Administration will prepare a clear and reliable handbook this year to explain what works in the education of the disadvantaged.

Low Income Opportunity

A year ago, I asked the White House Do-

mestic Policy Council to evaluate our Federal public assistance programs and to propose a new national strategy for helping poor Americans "escape the spider's web of dependency." This year, I will address the main findings of that evaluation, which was contained in our report, "Up From Dependency," released in December.

Our report shows, clearly and persuasively, that our vast and expensive welfare system is a tender trap: while it rescues many Americans from short-term distress, it also sustains far too many in long-term dependency. Our current welfare system is a complex labyrinth of 59 major programs that cost more than \$132 billion in Fiscal Year 1985. Forty other Federal programs for the poor brought total low income spending to \$150 billion, yet our poor and our taxpayers receive little in return for this enormous annual investment. The current welfare system is so complex and its incentives so perverse that it demoralizes the poor, undermines the willingness to work, and weakens families and communities.

I will propose a major new national strategy to reform this flawed welfare system. Our goal is to create a system that gives poor Americans the opportunity and aid to escape the tender trap of welfare and become more productive and self-reliant contributors to American society. Our proposal will ask that Federal welfare requirements be waived to allow States to establish a series of demonstrations in welfare policy. We are not proposing to cut Federal welfare benefits for the truly needy. The idea is to begin a process that will tap the hundreds of good self-help and anti-poverty ideas currently blossoming around the country. For too many years our Federal welfare policies have assumed that all of the answers could come from experts in Washington, D.C. Those policies have had 20 years to work and have failed. Our demonstration strategy seeks to find solutions to poverty and welfare dependency in the practical genius of the States, communities, and individuals who must cope with those problems every day.

The Family

The problem of welfare dependency cannot be separated from the well-being

and solidity of America's families. Both common sense and social science tell us that intact, two-parent families will be far better off financially and socially than will families led by a single father or mother. Family breakup remains the primary reason that family income falls below the poverty line.

My Administration is committed to supporting public policies that strengthen the role and bond of families in American life. Last year at this time, I charged my Domestic Policy Council's Working Group on the Family to study and issue a report on the state of the American family. This year I am endorsing the report, released to the public in November, as a landmark in understanding the ways in which government policies have affected, often adversely, family life in our Nation. My Administration will also work to implement the recommendations contained in the report.

Since 1973, after a divided Supreme Court ruled in *Roe v. Wade*, nearly 20 million unborn children have perished in our land due to abortion. This toll continues to climb—despite increasing evidence of the humanity of the unborn child and the growing desire of millions of young couples to adopt. My Administration will submit legislation this year to further my commitment to protect the rights of unborn children. Our proposals would prohibit Federal government funds from being used to: (1) perform abortions, except when the life of the mother is endangered if the unborn baby were carried to term; and (2) support, through Title X family planning grants or contracts, any organization (except a grant or contract directly administered by a State or local government) that provides abortion procedures or referral for abortion, unless the life of the mother would be endangered.

Health

Our Nation's health care system is the finest in the world, yet it is also a very expensive system with costs that are continuing to rise faster than the rate of inflation. My Administration has worked since 1981 to create incentives that would keep health costs down and improve quality by encouraging more competition in health

care delivery. In 1987, we will again ask the Congress to pass legislation to expand the use of private health plan options—paying a fixed, predetermined price for health services—to the government medical programs of Medicare and Medicaid. My Administration will also propose that Medicare payments to doctors who practice in hospitals be reflected in a set price for each medical diagnosis; this will provide further incentives for doctors to provide quality care at lower costs.

To encourage private health care competition, my Administration will propose an optional Medicaid health plan, offering States fiscal incentives to place Medicaid beneficiaries in private health insurance plans that provide comprehensive, managed care for a predetermined price. We will also ask Congress to pass a Medicare Expanded Choice Act, which will allow the elderly to choose the private health plan that best suits their needs. Each plan would have to offer coverage at least equivalent to that of basic Medicare.

My Administration will also continue to invest in research to cure heart disease, cancer, and other life-threatening diseases. In particular, we will continue our work to find a cure for acquired immune deficiency syndrome, or AIDS. We are also increasing basic research to better understand the causes of AIDS and to find a cure for AIDS or a vaccine to prevent it. Last year the Surgeon General issued a report that was a landmark in public education about AIDS. We will expand that education effort this year, stressing that education about AIDS to schoolchildren must be grounded in the moral and cultural values of parents and communities.

Catastrophic Illness Coverage

All Americans, and especially our elderly, face a small but significant risk of a devastating illness or accident that will bring with it crushing medical bills. Most of us have adequate financial protection through private or public insurance, but because the risk is small, not all of us pay attention to the implications of a truly disastrous illness. We need to remind ourselves to make sure we were adequately protected, and both private industry and government should

continue to work together to be sure that such protection is available to all of us at affordable prices.

With this in mind, I will shortly submit to the Congress a proposal to improve catastrophic illness coverage to the elderly to avoid the fear of an acute care illness so expensive that it can result in having to make an intolerable choice between bankruptcy and death.

The Crusade Against Drugs

Nothing erodes our Nation's basic social fabric more than drug abuse. Last year our Administration made the fight against drug abuse a top priority, working with Congress to pass sweeping legislation to attack this problem both among users and suppliers.

This fight is a top priority again this year. We will continue to implement our six-point program to achieve a drug-free America, through achieving drug-free workplaces and schools, expanding drug treatment and research, greater international cooperation, enhanced law enforcement, and increased awareness and prevention of illegal drug use. We are devoting large and appropriate amounts of money to this fight. From 1981 to 1986, Federal drug enforcement funding increased by 130 percent, and the number of FBI and Drug Enforcement Agency agents assigned to drug investigations nearly doubled. Our task this year is to implement the new legislation and to use our money wisely, even as we continue our public and educational campaign to change, once and for all, any lingering perception that drug abuse is a victimless crime. We will work through the National Drug Enforcement Policy Board, and with our friends and allies in the world community, to implement the enforcement provisions of the anti-drug law aimed at reducing the supply of drugs into our country. Just as important, our Departments of Education and Health and Human Services will expand their efforts to reduce the demand for drugs, especially among our children. The resources in the fight against drug abuse consist of much more than Federal money, however. They include the efforts of all Americans and institutions—parents, schools, churches, civic groups, and State

and local governments. We must continue, as an Administration and as a nation, to encourage every American to "Just Say No" to illegal drugs.

Housing and Community Development

Part of the American dream has always included safe and affordable housing, and this Nation's housing quality and rate of home ownership are among the best in the world. Our last 4 years of economic progress have reduced interest rates and raised take-home pay, putting home ownership within the reach of ever more Americans. Industry studies show that more Americans are now able to afford housing than at any time in the last 8 years.

Our challenge now is to bring quality housing within the reach of even poor Americans. To do this, we will continue to expand the use of rental housing vouchers, which increase mobility and housing choices for the poor. Since 1984 more than 141,000 vouchers have been appropriated for poor families. We will also continue our public housing home ownership initiative. On January 8 of last year, a McKeesport, Pennsylvania, family became the first in the country to buy its own home under this initiative, which seeks to give poor Americans the sense of personal pride and responsibility that comes with home ownership. We will also continue our efforts to reduce housing construction costs through the Joint Venture for Affordable Housing, to improve the management and upkeep of existing public housing units, to fight housing discrimination by strengthening government law enforcement, and to better target our public housing aid by asking the Congress to approve a Tenant Income Verification proposal that would make it easier to determine who is truly in need.

Pride in ownership also depends on pride in neighborhood, and once again this year we intend to ask the Congress to revitalize our Nation's poor neighborhoods by passing legislation to create enterprise zones. More than half of the States have already demonstrated how much these zones can contribute to economic growth by removing tax and regulatory obstacles to develop in depressed urban and rural areas. My Administration will also work to help distressed

communities by asking Congress to extend the National Flood Insurance Program to 1992, and by seeking legislation to make disaster assistance more timely, cost-effective, and better managed. As part of my Administration's emphasis on strengthening Federalism, we will continue to eliminate excessive Federal directives for State and local community development activities under our Community Development Block Grant program.

Federalism

In this 200th year of our Constitution, we as a Nation need to reaffirm the basic federal principle that the best form of government is often the one closest to our citizens. In April of last year I signed a "Statement of Federalism Principles" to begin this reaffirmation, and last November I reviewed a report on the "Status of Federalism in America" prepared by our Administration's Federalism Working Group. The revitalization of Federalism as our system of constitutional government is a return to the vision of an indivisible union of States—a system in which the national government exercises sovereign authority in accord with the limits of its constitutionally enumerated powers, and the States exercise sovereign authority in all other areas.

This year we intend to implement reforms outlined in our report. We will review proposed legislation and executive actions to identify their constitutional authority and justification and their impact on our Federal system's balance of powers. We will also continue to oppose the use of grants as a means to indirectly regulate States in areas, such as the 55 mile per hour speed limit, in which they have traditionally exercised authority. We will oppose efforts to preempt State laws, except when the Constitution plainly indicates a legitimate Federal concern.

Justice and Personal Freedom

Our Constitution is dedicated to the belief that our system of justice must strike a balance between enforcing the rules of a civilized society and sustaining human liberty. In areas where our laws or court decisions have tilted too far in either direction,

we must do what we can to restore the proper balance.

My Administration will work first of all to regain this balance in our criminal justice process. In 1987, I will again support legislation to impose the death penalty in appropriate Federal criminal cases and to modify *habeas corpus* procedures to reduce delay in State courts and make it clear to criminals and society that justice is swift and sure. I will also submit legislation to modify the exclusionary rule so that evidence seized by police in a good-faith belief that the seizure was lawful may be introduced as evidence at a trial. Based on last year's report of the Commission on Pornography, I have also approved a seven-point program designed to curb the growth of child pornography and obscenity. I call upon the Congress to pass swiftly the legislation we will propose to protect our children from this menace.

On behalf of human and religious liberty, I will again ask the Congress to pass a constitutional amendment to restore the right of students to voluntary, vocal prayer in the public schools.

In appointing members of the judiciary, I have tried to select women and men committed to justice under law. Chief Justice Rehnquist and Justice Scalia, confirmed last year to their positions on the Supreme Court, understand well John Marshall's insight that our Constitution provides "a rule for the government of courts, as well as of the legislature" and the executive. I will ask the Senate to continue working with me to appoint judges who understand the dangers of unrestrained judicial power, and who are committed to legal interpretation based on our Constitution rather than on individual policy preferences.

I will also propose initiatives to reduce the increasing burden of litigation in our society. I have already mentioned that we will again propose tort reform legislation. We will also investigate potential reforms to help with the problems of increasingly high attorneys' fees and damage awards.

My Administration remains committed to enforcing our civil rights laws. We must not be diverted from our pursuit of justice because of government policies that treat individuals differently based on their race or

ethnic background, even when those policies are well-intentioned. My Administration will oppose legislation that provides government preferences based on race or other special categories, and not to all Americans. The American ideal is to allow equal opportunity for all, not to enforce equality of results or outcomes.

Energy and Environment

My Administration has worked throughout its time in office to protect our environment, even as we have worked to develop our enormous natural resource wealth—on and off shore. Last year I signed bills committing Federal money to clean up toxic waste and to protect the Nation's supplies of drinking water.

This year we will continue to study the issue of stratospheric ozone depletion. We will also continue to work with private industry, the scientific community, and our neighbors in Canada to monitor and find solutions to the presence of acid rain in forests and waterways. We are also developing proposals that make use of market incentives to control air pollution caused by sulfur dioxide and nitrogen oxide emissions and the causes of acid rain. We hope to work with the Congress to ensure that air quality is improved without reducing economic growth or damaging the competitiveness of our Nation's industry.

We recognize the importance of maintaining America's energy security. In 1987 we will consider one of the decade's most important resource management decisions—the future use of the coastal plain of the Arctic National Wildlife Refuge in Alaska. This area is blessed both with abundant wildlife and potentially enormous oil reserves that are vital to America's energy security. My Administration will recommend to the Congress a management solution that best balances our environmental heritage with the Nation's economic and national security needs. I have received the report of my Commission on Americans Outdoors, and it will be studied by the Domestic Policy Council. We will also continue to fill the Strategic Petroleum Reserve, to reach an eventual goal of 750 million barrels. And once again, we will seek legisla-

tion to standardize designs and simplify licensing for nuclear power plants. Our goal is a stable, predictable process that encourages nuclear plant construction that is reliable, cost-effective, and environmentally sound. Our democratic allies in the developed world have proven that well managed nuclear power can be a major source of safe and cheap home-grown energy; thus, America needs to revitalize its own nuclear power industry. I have also ordered a high-level interagency review of U.S. energy security to determine what other actions we can take to avoid overdependence on foreign oil and to strengthen our domestic oil industry.

Transportation

America's transportation network is the envy of the world, yet the demands of our expanding economy require that we continue making expansions and improvements. For 1987 I will propose legislation to extend and amend the Airport and Airway Improvement Act. This legislation will allow my Administration to continue to modernize the Nation's air-traffic control system, increase the number of air-traffic controllers and aviation inspectors, and improve the Airport Grant program. Last year was one of the busiest but safest ever in America's air transport history, and these new proposals will ensure the continued safety, reliability, and capacity of our national aviation system.

My Administration will also seek continued authorization of Highway and Mass Transit programs through FY 1990, and we will propose legislation to increase both State and local discretion in using Federal highway funds. In accordance with our federalism principles, we believe that State and local governments are usually better able than the Federal government to determine local transportation improvement needs.

Private Sector Initiatives

In the past 6 years, my Administration has worked to inspire private individuals and companies to play a more active role in their communities. We will continue this successful effort, which is now being copied around the world. If individuals and com-

munity groups take more responsibility for public affairs, we are less likely as a Nation to cede our freedom and opportunity to the Federal government.

IV. INTERNATIONAL PEACE AND FREEDOM

In the past 6 years my Administration has pursued a foreign policy based on realism—about the world we live in, about the nature of our adversaries, about the need for American leadership. To close gaps that had opened in the past, we were obliged to undertake a significant rebuilding of our defense capabilities. As a result, our allies have greater confidence in America, and the Soviet Union is more willing to work seriously for arms reduction.

Peace and progress, of course, depend on much more than a sound military balance. That is why, in the same spirit of realism, we encourage democracy, freedom, and respect for human rights by all nations. In this decade democracy has been on the march. Country after country has joined those nations where the people rule. We have supported those freedom fighters who bravely make sacrifices so their nations will enjoy freedom and independence.

The successful conduct of foreign policy rests upon a strong bipartisan spirit in the Congress, and close cooperation between the Legislative and Executive branches. I am pledged to continue this long-held tradition, and hope the Congress will see the importance of doing the same. Toward that end, in the near future, I will send the Congress a full and comprehensive report on American foreign policy.

East-West Relations

Last October, my Iceland meeting with General Secretary Gorbachev brought great progress in the area of arms reduction. There is much work to do, and we continue to work in this area. It is, however, only one of several items on our agenda with the Soviets. No fundamental and lasting progress is possible in one area of our relations without improvement elsewhere.

My Administration is engaged in a broad range of bilateral and multilateral arms control negotiations. Our objectives include: deep, equitable, and verifiable reductions of

nuclear arsenals; a cooperative transition by the United States and the USSR to a strategic regime based increasingly upon defenses; verifiable limits on nuclear testing; a global ban on chemical weapons; and conventional force reductions to redress imbalances in Europe. In each of these negotiations, we are guided by principles of equity, increased stability, effective verification and strict compliance with both past and future agreements. I look forward to meeting again with Mr. Gorbachev to advance this important work.

Responsible Soviet conduct abroad is essential to a peaceful international environment. I have urged Mr. Gorbachev to withdraw all Soviet forces from Afghanistan and to allow genuine Afghan self-determination, to cease support for Cuban expeditionary forces in Africa, and to promote a withdrawal of Vietnamese forces from Cambodia. In the absence of such actions, the Soviet Union can hardly expect to be treated as a respectable member of the international community.

In the Soviet Union today there is much talk of change. We must hope for a true break with the past, but we see both hopeful and discouraging signs, especially in the critical area of human rights. Certain better-known dissidents have been released while others continue to receive very harsh treatment; tragically, emigration remains at an historic low, and religious persecution continues unabated. My Administration will welcome, and respond to, positive steps toward greater respect for human rights, while expressing our views on the enduring nature of the Soviet system.

Since I met General Secretary Gorbachev in Geneva, exchanges between our two societies have gained momentum. I hope for further expansion of people-to-people contacts in 1987.

One of the most important obstacles to improved East-West relations, which touches on all elements of our agenda, is the continuing unnatural division of the European continent. Toward the states of Eastern Europe, our policy of differentiation remains intact; in particular our trade relations with them will continue to reflect the extent of internal freedom and foreign policy independence from Moscow.

America in the World

The extraordinary surge of democracy that we have seen in the past 6 years, particularly in the developing world, benefits us politically, economically, and strategically. Democratic transitions are nonetheless fragile; they require constant nurturing and careful support. This Administration will continue to work with and support those nations that share our interests and values. By diplomatic and other means we can help create the peaceful environment in which free institutions flourish.

To help create such an environment, the Congress should support adequate funding levels for economic and security assistance. The year 1987 is the 40th anniversary of the Marshall Plan, a reminder that American commitment and generosity serve our own interests while changing the course of history for the better. Our goal is to foster peace and stability by helping friendly nations to defend themselves and by encouraging market-oriented economic growth abroad. We continue to work toward the elimination of hunger and extreme poverty for both humanitarian and security reasons. Thus, *American* interests are harmed if our programs in this area are cut by the Congress below adequate levels, as they have been.

The advance of democracy and the strengthening of peace are closely related. Nowhere is this clearer than in our own hemisphere. We must continue to provide support and assistance to freedom fighters in Central America. To that end I will ask the Congress for renewed assistance for the Nicaraguan democratic resistance, which faces a Leninist dictatorship that has received over a billion dollars of Soviet-bloc arms. I also strongly support a supplemental appropriation for the economic development of the Central American democracies.

State-sponsored terrorism has increased dramatically in the last few years. When such incidents go unpunished, further terrorist efforts are encouraged. We will continue to build our capability to deter and, when necessary, to combat swiftly and effectively state-sponsored terrorism worldwide. In this regard, I am requesting necessary funding to continue the multi-year pro-

gram to improve the protection and security of our personnel and facilities overseas.

The people of the Philippines, whose history is closely linked with ours, acted last year to reconfirm their democratic traditions. We encouraged them, and applauded their success. This year, my Administration will seek additional support to assist the Aquino Government, as it confronts serious economic and security problems. The rebuilding of political institutions and restoration of investor confidence are Filipino goals that America must support.

My Administration will continue to enforce the Comprehensive Anti-Apartheid Act of 1986. We seek an end to Apartheid and will use our influence to foster a peaceful transition to a truly free, democratic, and multi-racial society. We will offer a special economic assistance program for southern Africa. We will also seek to restructure economic assistance to Africa so as to reinforce positive policy reforms in a growing number of African nations. This approach, whose goal is to promote investment and economic growth in Sub-Saharan Africa, is reflected in the Administration's FY 1988 budget request.

The United States must be able to communicate information and ideas on a world-wide basis. Ongoing expansion of America's international broadcasting capability—the Voice of America, Radio Free Europe/Radio Liberty, and Radio Marti—must therefore continue. Increased resources for the United States Information Agency are also needed to reach this goal. In addition, the National Endowment for Democracy and its subsidiary elements—including free labor, free enterprise, and the political parties—permit the United States to help strengthen the infrastructure of democracy, particularly in the less developed countries. Funding for this program is very small; the potential return on our investment, very high.

In the past, the ideals of the UN Charter have often been trampled under foot. The United States remains committed to restoring efficiency and impartiality to the United Nations and effectiveness to its peacekeeping activities. We will use our influence to restore respect in the UN for the principles on which it was founded.

My Administration will continue efforts to achieve the fullest possible accounting of our servicemen missing from the Vietnam War. Recent progress can continue with the strong bipartisan support in the Congress for this humanitarian issue. Also, my Administration is committed to aiding refugees and those countries providing first asylum to them. International organization support, multilateral and bilateral programs, and resettlement opportunities in the international community are all required to ensure humanitarian treatment of these homeless and shattered peoples.

The Administration is proud of a path-breaking agreement reached this past year with the Pacific island states over the long-contentious tuna fishing issue, one that our adversaries have tried to exploit. Modest but indispensable funds are needed to meet our obligations under the agreement.

Maintaining a Strong National Defense

The increased resources we have devoted to national defense in the past 6 years have brought many benefits—above all, a lasting peace. Our forces have been modernized, the quality and spirit of those in uniform have risen to the highest levels, and we have begun work on new technologies that can protect America in the future and free us from the nuclear balance of terror.

All these efforts must continue. We need realistic and sustained growth in defense funding to consolidate the real gains we have made. The budget I have proposed meets this goal. The alternative is unacceptable: spending less will unavoidably mean less security. We cannot keep America strong without committing the resources that this effort requires.

In keeping with the recommendation of the Packard Commission, and as required by the 1986 Defense Authorization Act, I have submitted a two-year national defense budget for 1988–1989. The Packard Commission stressed no point more than the need for greater stability in defense funding. Rollercoaster, surge-and-starve budgeting leads to higher costs and dangerous risks to national security. Furthermore, I want us to get our money's worth from every defense dollar spent. Under the lead-

ership of the Secretary of Defense, with the expert help of the new Under Secretary of Defense for Acquisition, this Administration will continue to take important strides toward improving the acquisition system. Other major changes in DoD organization and the procurement system have been underway, some since the beginning of this Administration. So I hope the Congress will withhold further efforts to legislate defense procurement reform until the effect of these changes can be fully evaluated.

Our Strategic Modernization Program is essential to assuring our national safety in the years ahead. The strength it provides is also the indispensable foundation for negotiating the deep cuts we seek in nuclear arsenals. The Soviets are willing to bargain and make concessions only if they understand that—in the absence of agreements—America will provide for her own security.

Strategic Defense Initiative research explores the way to move toward a world in which effective defenses, rather than threats of retaliation, keep the peace. This vital program reinforces our policy for arms reductions—as an incentive for the Soviets to agree to real arms reductions and as an insurance against cheating on arms reductions agreements. The pace of research to date has been impressive, and I will ask the Congress to increase funding so that we can continue moving forward.

My Administration will continue to maintain an effective nuclear deterrent, but at the same time it is essential that we and our allies modernize and strengthen conventional land, air, and naval forces so they can carry out their missions in the face of a steadily increasing Soviet threat. That will cost more money than the Congress has been willing to vote the last 2 years, but it is essential.

America will continue to deploy military forces throughout the free world as proof of solidarity with our Allies and other friendly nations, and as a deterrent to those who might threaten our peace and freedom. Forward deployments not only underscore our national policies, but also provide valuable exercises and training for Active, Guard, and Reserve Component Forces.

The Soviet Union has the world's only operational ASAT system. The U.S. minia-

ture homing vehicle ASAT system that can deter the Soviets from using their system in times of crisis is in development. Its test program, however, has been blocked by a congressional unilateral ban that prohibits tests against targets in space. The Soviets are under no such prohibition. I will continue to urge the Congress to lift this moratorium as soon as possible. I will strongly oppose its extension beyond October 1, 1987. Such unilateral restrictions on the U.S. leave the Soviets with capabilities that endanger America's security.

Keeping America strong means more than acquiring ships, tanks, and planes. Those who wear the uniforms of our armed forces must receive appropriate recognition for the sacrifices and hardships that they are called upon to endure on our behalf. My Administration will take the necessary steps to continue to improve the quality of life for those in uniform. In this way we can retain the high-quality trained people serving now, all as volunteers, and provide sufficient incentives to recruit the qualified people that we need in the future.

As we revitalize our naval forces, we face the need to build home port facilities that can accommodate our growing fleet and to protect our vital merchant ports in the least vulnerable but affordable way. We must continue to implement and expand our strategic home-porting program.

Last fall I sent to the Congress a classified report on the threat to our security from the activities of hostile intelligence services. The report set out a blueprint of legislative and administrative measures to enhance our ability to meet this threat. I hope the Congress will act on our recommendations.

We must maintain the viability of our technology base and pursue new developments in conventional weapons technology. The armaments cooperation initiative with our Allies helps us to improve acquisition management, share technological advances within the Alliance, and enhance collective defense. The Soviet Union should regard the industrial unity of the West as an unbeatable force. We must not squander our gains through careless or felonious transfers of technology to potential adversaries. My Administration will continue our successful

effort to curb the theft of strategic technology by the Soviet bloc.

V. CONCLUSION

This year of the 200th anniversary of our Constitution affords us the opportunity to make momentous strides in our quest for national excellence. It will require the efforts of all of us—not just the government, but all the people. To achieve this greatness really comes down to just being our best. No government plan or program is capable of enacting such sweeping change and reform. All the Federal spending in the land cannot buy excellence. It must occur

as part of the natural instinct of free people to compete for the highest standard. The proposals and actions outlined in this message will form the foundation to meet the challenge of the third American century.

I look forward to working with the Congress in a bipartisan fashion in order to achieve this worthy goal. For when it comes to the future of America, there must be no Republicans or Democrats—only Americans.

RONALD REAGAN

The White House,
January 27, 1987.

Remarks to Employees of the National Aeronautics and Space Administration on the First Anniversary of the Explosion of the Space Shuttle *Challenger* *January 28, 1987*

Today is a day to commemorate and a day to salute. We commemorate the magnificent *Challenger* Seven, whom we lost last year at this time, and we salute you, the men and women of America's NASA team. America will never forget that terrible moment a year ago when our elation turned to horror and then to grief and pain. Seven of our finest perished as they reached for the boundaries of space, where Earth ends and the path to the stars begins.

No, we will never forget them. They represented so much of the best that is in our land. There were Dick Scobee and Michael Smith, both heroes of battle, both experienced test pilots, both with the heart and soul the great explorers have always had—always searching, always reaching. There were Judith Resnik, Ellison Onizuka, Ronald McNair, and Gregory Jarvis. They were pioneers of the mind as well as the stars. From every corner of America, they had come—and from many backgrounds—to join hands in a common adventure. Don't they, by their example, tell us just why it is our blessed land has become so great? And of course, there was Christa McAuliffe, whose profession was among humanity's most honored and revered: that of

a teacher. She had hoped on that mission to give history's first lessons from space, lessons that were to be beamed to schoolchildren across America and around the world. Well, she never got to give those lessons in space science, but she and the others did teach America's children something, nevertheless, something precious, something enduring, something perhaps more valuable than any other lesson they will ever learn.

I remember in the hours and days following the tragedy there was talk of the permanent trauma the children of America might suffer as a result of viewing the shuttle disaster. And, yes, the events that day did leave their impression on them, but not the one that we feared—no, instead, one that can make us all proud of the strength and spirit, the courage and love, of our young people. You can see that lesson reflected in one simple fact: The number of new memberships in our Young Astronauts Program has never been higher. This past year I spoke to a meeting of the Young Astronauts, and I can tell you that another place that lesson is reflected is in those Young Astronauts eyes. They know that exploration has its risks. They know that with

adventure also goes danger. They know all this, but they also know something far more important: something about the spirit and sense of joy that have kept man reaching through the ages to grasp for the limits of his universe and beyond that, despite hardships and peril, kept explorers like Columbus, Magellan, and Drake sailing into uncharted oceans, that, despite comforts they left behind, kept pioneers like Boone, Carson, and Clark crossing America's frontier, that keep us still reaching for the unknown. Christa McAuliffe and all the magnificent *Challenger* Seven taught this lesson of courage, spirit, and love to America's children, and now it's for all of us to learn the lesson from them.

This has been a year of careful self-examination at NASA. Under the able leadership of Jim Fletcher, you've moved quickly to implement the recommendations of the Phillips task force and the Rogers commission and have just completed a broad and important reorganization. Everyone on the NASA team has again shown their dedication, their commitment to excellence, and now NASA has begun to resume its forward progress. This year we mark the third decade of space exploration. In those three decades, with NASA in the lead, mankind has received images from the outer reaches of our planetary system, sampled the climate of Mars, learned new and undreamed of truths about our own planet, and landed a man on the Moon.

In the next three decades NASA will again lead in mankind's dreams. In just 2 years *Voyager II* will pass Neptune and unlock for us the secrets of that distant brother to our own Earth. By the end of the next decade, the *Galileo* orbiter and probe will tell us more than ever before about Jupiter; and the Hubble space telescope will be in orbit, looking into deep space, helping us understand the creation of solar systems like our own; and in an international project, the *Ulysses* probe will teach us more about the Sun. These unmanned projects are the scouts for manned space travel of decades to come. In the next decade we in America will continue man's personal adventure into space. You will soon be starting development on the space station to have it ready by the midnineties.

The space station will be our gateway to the universe, our foothold in outer space, the keystone of our space program. With it as our base camp, we will be able to reach the planets and, perhaps one day, to the stars. We hope our friends and allies will join us in this great adventure.

But that's not all you'll be doing in the decade and more to come. Here at home, you'll be shrinking the Earth as humanity never before dreamed. You will be developing a space plane, so that one day ordinary travelers can take off on the east coast of the United States and land in Japan a little over 2 hours later. And one other thing: In the next decade we will build and fly a new space shuttle. For me, this is a special commitment. In the first moments of grief and shock, the bereaved families of the crew urged us to carry on and keep the space program moving forward. We owe it to them and to those whom we, too, lost to do just that. Now, I know that voices have been raised from time to time saying, "Oh yes, it's exciting and adventurous, but does it have any practical value to justify its costs?"

Well, the answer to that question is a resounding yes. Perhaps we've been derelict in not doing more to make known the literally thousands of human-oriented technological developments that have spun off from the program and which will affect all our lives and the lives of our children and our children's children. There's every reason to believe these spinoffs will become of tremendous value. Already they include lifesaving technologies like the programmable heart pacemaker, the CAT scanner, and lifesaving fireproof vests for firemen. Space spinoffs have made drinking water safer for communities in developing countries. Technology from the Lunar Rover now makes it possible for paraplegics to drive automobiles, and drive them safely. Our automobile engineers in Detroit are using lightweight, superstrong, plastic-like materials—outgrowths of space program technology—to reduce the weight of cars. For consumers that means more miles per gallon. And in the future the space program will be making materials in space, where we can manufacture in 1 month's time lifesaving

medicines that it would take 30 years to produce here on Earth. I understand that a project is now being developed to pass on to all Americans specific knowledge of this aspect of the space program. The United States Space Foundation, a nonprofit educational foundation, is preparing a series of TV and radio public service statements so that all Americans will be aware of these achievements and how they will benefit all of our lives. I think this is a worthy effort.

Yes, whether it's in the exploration of space or the applications of space research here at home, the future to which you are leading us is bright; the challenge that you're shouldering for all mankind is one

that we cannot turn away from. We owe it to our children and their children and generations beyond. We owe it to ourselves. We owe it to those who, with all their love and joy and courage, taught us again, just 1 year ago today, that "mankind's reach must exceed its grasp, or what's a heaven for?"

Thank you all. God bless you.

Note: The President spoke at 3 p.m. from the Oval Office at the White House. His remarks were televised via satellite to NASA installations worldwide. James C. Fletcher was the Administrator of the National Aeronautics and Space Administration.

Proclamation 5603—National Challenger Center Day, 1987

January 28, 1987

*By the President of the United States
of America*

A Proclamation

Will America continue to lead the world in space exploration as we move into the 21st century?

The Challenger crew, lost one year ago on the 25th Space Shuttle mission, dedicated themselves to America's leadership in space exploration. That leadership depends not only on our courage and determination, but also on the knowledge, capability, and inspiration of our students who will be the researchers and the astronauts of the 21st century.

A goal of the Space Shuttle Challenger mission was to bring the study of space science directly and dramatically into the Nation's classrooms.

In recognition of the critical need to provide America's students with access to outstanding space science education and to motivate study and excellence in science, the families of the Challenger crew established a Challenger Center for Space Science Education. This Center will honor the memory of the Challenger crew with an ongoing monument to their achievements, to their courage, and to their dedication to future generations of space explorers.

In commemoration of the brave members of the Challenger crew, the Congress, by Senate Joint Resolution 24, has designated January 28, 1987, as "National Challenger Center Day" and authorized and requested the President to issue a proclamation in observance of this event.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim January 28, 1987, as National Challenger Center Day, and I call on the people of the United States to observe this day by remembering the Challenger astronauts who died while serving their country and by reflecting upon the important role the Challenger Center will play in honoring their accomplishments and in furthering their goal of strengthening space and science education.

In Witness Whereof, I have hereunto set my hand this twenty-eighth day of January, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:58 a.m., January 29, 1987]

Proclamation 5604—American Heart Month, 1987 January 28, 1987

*By the President of the United States
of America*

A Proclamation

Cardiovascular diseases, including heart disease, stroke, and other vascular disorders, will claim the lives of nearly one million Americans this year. Cardiovascular disease is this Nation's number one health problem—causing more deaths than cancer, accidents, pneumonia, and influenza combined—and one-fifth of all people killed by cardiovascular disease are younger than 65.

More than 63 million of our citizens, more than one-fourth of our population, suffer from some form of cardiovascular disease. High blood pressure alone threatens the lives of more than 57 million Americans age 6 and older. Heart disease strikes regardless of age, race, or sex, and its toll in human suffering is incalculable.

The American Heart Association estimates the economic cost of cardiovascular diseases in 1987 will be more than \$85 billion in lost productivity and medical expenses.

But we are making progress against the Nation's number one killer. The American Heart Association, a not-for-profit volunteer health agency, and the Federal government, through the National Heart, Lung and Blood Institute, have been working together since 1948 to find better ways to prevent cardiovascular diseases and stroke and to inform the public and educate the medical community about the most effective techniques to treat the disease.

Medical advances such as new surgical techniques to repair heart defects, improved pharmacological therapies, emergency systems to prevent death, and knowledge to prevent heart disease from occurring have significantly reduced premature death and disability due to cardiovascular disease and stroke. From 1972 to 1984, the death rate has dropped 32.5 percent.

Cardiologists and other health profession-

als are seeking to reduce the risk of heart disease, stroke, and atherosclerosis (hardening of the arteries) by encouraging Americans to control high blood pressure, stop smoking, and reduce the amount of cholesterol, saturated fats, and sodium in their diets. The American Heart Association, working with two million volunteers, has contributed to this effort through its support of research and its commitment to educating Americans about the need to adopt a sound regimen of proper diet and exercise.

The Federal government, for its part, supports a wide array of cardiovascular research projects and encourages our people to reduce the risks of heart disease by maintaining good health habits.

Recognizing that Americans everywhere have a role to play in this continuing battle against a major killer, the Congress, by Joint Resolution approved December 30, 1963 (77 Stat. 843; 36 U.S.C. 169b), has requested the President to issue annually a proclamation designating February as American Heart Month.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the month of February 1987 as American Heart Month. I invite the Governors of the States, the Commonwealth of Puerto Rico, officials of other areas subject to the jurisdiction of the United States, and the American people to join me in reaffirming our commitment to combatting cardiovascular diseases.

In Witness Whereof, I have hereunto set my hand this twenty-eighth day of January, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:59 a.m., January 29, 1987]

Message to the Congress Reporting Budget Rescissions and Deferrals

January 28, 1987

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report seven revised rescission proposals now totaling \$723,461,329, twenty-five new deferrals of budget authority totaling \$257,977,000, and one revised deferral of budget authority now totaling \$7,162,831.

The rescissions affect programs in the Departments of Agriculture, Commerce, Education, Energy, Health and Human Services, and Interior.

The deferrals affect programs in the Departments of Agriculture, Defense-Civil, Health and Human Services, Labor and

Transportation, Funds Appropriated to the President, the Environmental Protection Agency, and the United States Railway Association.

The details of these rescission proposals and deferrals are contained in the attached report.

RONALD REAGAN

The White House,
January 28, 1987.

Note: The attachment detailing the proposed rescissions and deferrals was printed in the "Federal Register" of February 4.

Executive Order 12581—President's Special Review Board

January 28, 1987

By the authority vested in me as President by the Constitution and laws of the United States of America, and in order to extend the time within which the President's Special Review Board may submit its findings and recommendations to the President, it is hereby ordered that Section 2(b) of Executive Order No. 12575, of December 1, 1986, is amended to provide as follows:

"(b) The Board shall submit its findings and recommendations to the President by February 19, 1987."

RONALD REAGAN

The White House,
January 28, 1987.

[Filed with the Office of the Federal Register, 12 m., January 29, 1987]

Statement on Signing the Bill Prohibiting Strikes or Lockouts During the Long Island Rail Road Labor-Management Dispute

January 28, 1987

I have today signed H.J. Res. 93, which temporarily prohibits strikes or lockouts with respect to an ongoing dispute between the Long Island Rail Road and certain labor organizations representing its employees. The urgency with which this legislation was passed reflects the enormous hardship vis-

ited upon the citizens of the communities served by the Long Island Rail Road that has been caused by the current strike, now in its second week.

In the rush to pass this emergency measure, however, I am advised that the drafters of the joint resolution borrowed heavily

from legislation passed during 1986 in the context of a dispute arising under section 10 of the Railway Labor Act. While section 10 deals with rail strikes that threaten essential transportation services of significance to the entire Nation, the dispute this legislation addresses arises under section 9A of the act, which covers rail commuter services that are generally local in nature. The distinction is important because the words "essential transportation services" in section 10 are a term of art, used to describe the circumstances in which certain discretionary Presidential actions authorized in the act are warranted.

The current dispute under section 9A, as disruptive as it is to those who commute on the Long Island Rail Road, does not threaten the essential transportation services of the Nation as a whole nor does it threaten the national health or defense. Characterizing the shutdown of the Long Island Rail Road as a threat to essential transportation services could have the undesirable effect of requiring Federal involvement in the future in a multitude of local disputes which should be settled by collective bargaining. I have been informed that the proponents of H.J. Res. 93 attribute the overly broad language in the bill to the exigencies of hurriedly redrafting the earlier legislation used as a model. I am satisfied from the remarks on the floor of the Senate immediately prior to passage of the joint resolution

that the references to "essential transportation services of the Nation" and to the "national health and defense" are intended to have no effect whatsoever in determining the appropriate circumstances for the exercise of Presidential discretion under section 10 of the Railway Labor Act.

There is one additional respect in which I hope that this legislation will not serve as a precedent. The passage of this legislation marks the first time that the Congress has intervened in a labor dispute under section 9A of the Railway Labor Act. Even in those cases where the national well-being and safety are directly affected, the Congress and this administration agree that the Federal Government should be reluctant to interfere in the collective bargaining process. This is especially true in the case of rail commuter services that serve discrete localities. The integrity of the administrative procedures under the Railway Labor Act depends upon the willingness and ability of the parties to settle disputes themselves within the time-frames mandated by the act, and subject to the discipline of the marketplace. While the temptation to intervene in local disputes such as these will always be great, the consequences for the collective bargaining process counsel strongly that we do so in only the rarest of circumstances.

Note: H.J. Res. 93, approved January 28, was assigned Public Law No. 100-2.

Message to the Congress Transmitting the Annual Economic Report of the President

January 29, 1987

To the Congress of the United States:

For 6 years, my Administration has pursued policies to promote sustained, noninflationary growth and greater opportunity for all Americans. We have put in place policies that are in the long-term best interest of the Nation, policies that rely on the inherent vigor of our economy and its ability to allocate resources efficiently and generate economic growth. Taming the Federal Government's propensity to overtax,

overspend, and overregulate has been a major element of these policies.

The Current Expansion

Our market-oriented policies have paid off. The economic expansion is now in its fifth year, and the growth rate of the gross national product, adjusted for inflation, should accelerate to 3.2 percent in 1987. By October, the current expansion will become the longest peacetime expansion of the

postwar era.

Since the beginning of this expansion, the economy has created more than 12 million new jobs. In each of the past 2 years, the percentage of the working-age population with jobs was the highest on record. Although I am encouraged by the fall in the overall unemployment rate to 6.6 percent in December 1986, I will not be satisfied until all Americans who want to work can find a job.

Our efforts to reduce taxes and inflation and to eliminate excessive regulation have created a favorable climate for investing in new plant and equipment. Business fixed investment set records as a share of real gross national product in 1984 and 1985, and remains high by historical standards.

Despite the economy's tremendous gains in employment and production, inflation has remained below or near 4 percent for the past 5 years and, in 1986, declined to its lowest rate in 25 years. Although last year's low inflation rate in part reflected the substantial decline in energy prices during 1986, we expect inflation in 1987 to continue at the moderate pace experienced during the first 3 years of the expansion. The financial markets have acknowledged our progress in reducing inflation from its double-digit levels, and interest rates declined during 1986, reaching their lowest levels in 9 years. To sustain these developments, the Federal Reserve should continue to pursue monetary and credit policies that serve the joint goals of growth and price stability.

In short, since 1982, we have avoided the economic problems that plagued our recent past—accelerating inflation, rising interest rates, and severe recessions. Production and employment have grown significantly, while inflation has remained low and interest rates have declined. This expansion already has achieved substantial progress toward our long-term goals of sustainable economic growth and price stability.

The Economic Role of Government

Government should play a limited role in the economy. The Federal Government should encourage a stable economy in which people can make informed decisions. It should not make those decisions for them,

nor should it arbitrarily distort economic choices by the way it taxes or regulates productive activity. It should not and cannot continue to spend excessively, abuse its power to tax, and borrow to live beyond its means.

The Federal Government should provide certain goods and services, public in nature and national in scope, that private firms cannot effectively provide—but it should not try to provide public goods and services that State or local governments can provide more efficiently. When government removes decisions from individuals and private firms, incentives to produce become dulled and distorted; growth, productivity, and employment suffer. Therefore, to the greatest extent possible, the Federal Government should foster responsible individual action and should rely on the initiative of the private sector.

Tax Reform

My 1984 State of the Union Message set tax reform as a national priority. After more than 2 years of bipartisan effort, we achieved our goal last fall when I signed into law the Tax Reform Act of 1986. Tax reform broadens the personal and corporate income tax bases and substantially reduces tax rates. These changes benefit Americans in at least three ways.

First, by reducing marginal tax rates, tax reform enhances incentives to work, save, and invest. Second, by reducing disparities in tax rates on income from alternative capital investments, tax reform encourages more efficient deployment of investment funds. Investment decisions will now reflect the productive merits of an activity more than its tax consequences, leading to a more efficient allocation of resources, higher growth, and more jobs. Finally, tax reform makes the tax system more equitable. The simpler, lower rate structure will make compliance easier and tax avoidance less attractive. Americans will know that everyone is now paying his or her fair share and is not hiding income behind loopholes or in unproductive shelters. Tax reform will especially benefit millions of working poor by removing them from the Federal income tax rolls.

Remaining Challenges of Economic Policy

We have successfully reformed the tax code, controlled inflation, and reduced government intervention in the economy. The result has been an expansion of production and employment, now in its fifth year, which we fully expect will continue with greater strength in 1987. Although much has been accomplished, we must and will address the remaining challenges confronting the economy. We must continue to reduce the Federal budget deficit through spending restraint. We must reduce the trade deficit, while avoiding protectionism. We must strengthen America's productivity and competitiveness in the world economy. And we must reform our costly, inefficient, and unfair agricultural programs.

Control Federal Spending.—For the first time since 1973, Federal spending in 1987 will fall in real terms. As a result, the Federal budget deficit will decline from its 1986 level by nearly \$50 billion. My budget for 1988 continues this process by meeting the Gramm-Rudman-Hollings deficit target of \$108 billion.

Deficit reduction must continue and must be achieved by restraining the growth of Federal spending—not by raising taxes, which would reduce growth and opportunity. Large and persistent Federal deficits shift the burden of paying for current government spending to future generations. Deficit reduction achieved through spending restraint is essential if we are to preserve the substantial benefits of tax rate reduction and tax code reform; it is also essential for reducing our international payments imbalances. Finally, spending on many programs exceeds the amounts necessary to provide essential Federal services in a cost-effective manner.

Besides exercising spending restraint, we must reform the budget process to build a check on the Federal Government's power to overtax and overspend. I support a constitutional amendment providing for a balanced peacetime budget, and I ask the Congress to give the President the same power that 43 Governors have—the power to veto individual line items in appropriations measures.

Maintain Free and Fair Trade.—One of

the principal challenges remaining for the U.S. economy is to reduce our trade deficit. However, we cannot accomplish this, or make American firms more competitive, by resorting to protectionism. Protectionism is antigrowth. It would make us less competitive, not more. It would not create jobs. It would hurt most Americans in the interest of helping a few. It would invite retaliation by our trading partners. In the long run, protectionism would trap us in those areas of our economy where we are relatively weak, instead of allowing growth in areas where we are relatively strong.

We cannot gain from protectionism. But we can gain by working steadfastly to eliminate unfair trading practices and to open markets around the world. This year, I will continue to press to open foreign markets and to oppose vigorously unfair trading practices wherever they may exist. In addition, I will ask the Congress to renew the President's negotiating authority for the Uruguay Round under the General Agreement on Tariffs and Trade. These talks offer an important and promising opportunity to liberalize trade in areas critical to the United States; trade in services, protection of intellectual property rights, fair rules governing international investment, and world trade in agricultural products.

More remains to be done to end our trade deficit. We must sustain world economic growth, increase productivity, and restrain government spending. For U.S. exports to grow, the economies of our trading partners must grow. Therefore, it is essential that our trading partners enact policies that will promote internally generated economic growth. At the Tokyo Economic Summit last year, the leaders of the seven largest industrial countries continued efforts, begun at the Versailles Economic Summit in 1982, to increase international coordination of economic policies. We must also continue to encourage developing countries to adopt policy reforms to promote growth and restore creditworthiness.

Here in the United States, we must restrain government spending. Our trade deficit in goods and services reflects that, over the past several years, we have spent more than we have produced—and we have

spent too much because of the profligacy of the Federal Government. As the Congress reviews my proposed 1988 budget, it should remember that a vote for more government spending is a vote against correcting our trade deficit.

Strengthen Productivity and Competitiveness.—We must work to improve our international competitiveness through greater productivity growth. The depreciation of the dollar since early 1985 has done much to restore our competitiveness. However, we do not want to rely on exchange-rate movements alone. Productivity growth provides the means by which we can strengthen our competitiveness while increasing income and opportunity. Since 1981, U.S. manufacturing productivity has grown at a rate 46 percent faster than the postwar average. This is a solid accomplishment, but still more remains to be done. We must encourage continued productivity growth in manufacturing and in other sectors of our economy.

One way to strengthen our global competitiveness is to free American producers from unnecessary regulation. My Administration has sought to deregulate industries in which increased competition will provide greater benefits to consumers and producers. It has also streamlined the Federal Government's regulatory structure. Americans have benefited significantly from the deregulation of airlines, financial services, railroads, and trucking. I will resist any attempt to reregulate these industries. Our economy will benefit further if we eliminate natural gas price controls, remaining trucking regulations, and unnecessary labor market restrictions. Also, without compromising the Nation's air quality, we should eliminate the bias that exists in current air pollution regulations against cleaner and more efficient new factories and power facilities. Where regulation is necessary, its costs should be balanced against its benefits to ensure that regulatory efforts are applied where they do the most good and to avoid placing American firms at a competitive disadvantage in the world marketplace.

Privatization shifts the production of goods and services from government ownership to the private sector. Privatization can also improve American competitiveness

because private firms can produce better quality goods and services, and deliver them to consumers at lower cost, than can government. For these reasons, Americans benefit when government steps aside. Like deregulation and federalism, privatization embodies my Administration's belief that the Federal Government should minimize its interference in the marketplace and in local governance. We must return more government activities to the competitive marketplace by selling or transferring government-owned businesses. In 1986, the Congress authorized the Department of Transportation to sell Conrail in a public offering, which we hope will take place this year. Other businesses suitable for privatization include the Naval Petroleum Reserves, the Alaska Power Administration, and Amtrak.

Reform Agricultural Policies.—Another high priority in 1987 must be to reform our agricultural programs. Besides costing taxpayers \$34 billion this year alone, these programs divert land, labor, and other resources from their most productive uses. Most farm programs are costly and unfair because they give literally millions of dollars to relatively few individuals and corporations while many family farmers—who are those most often in need—receive little. In the process, farm programs raise the prices of many food items for all Americans, rich and poor.

Farm income support should not be linked to production through direct subsidies or propped-up prices for agricultural products. My Administration will seek a market-oriented reform package with two goals: gradually separating farm income support from farm production, and focusing that income support on those family farmers who need it most.

Conclusion

The economic policies of my Administration have created greater economic freedom and opportunity for men and women, private firms, and State and local governments to pursue their own interests and make their own decisions. These policies have produced a sustained economic expansion with low inflation, lower tax rates and a

simpler tax code, the unshackling of industries from regulation, a surge in investment spending, and more than 12 million new jobs.

The American people demand a sound, productive, growing economy. Therefore, I shall continue to pursue policies to encourage growth, reduce the Federal budget deficit, correct the trade deficit, and strengthen the competitiveness of American producers. The American people will not tolerate a replay of the failed economic policies of the past. Therefore, I shall resist propos-

als to adopt any economic policy that abandons the accomplishments of tax reform, stymies growth, fuels inflation, perpetuates needless government interference in the marketplace, or fosters protectionism. With the help and cooperation of the Congress, we can sustain and strengthen the current economic expansion, and preserve and extend the economic achievements of the past 6 years.

RONALD REAGAN

January 29, 1987

Message to the Senate Transmitting a Protocol to the 1949 Geneva Conventions

January 29, 1987

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate to ratification, Protocol II Additional to the Geneva Conventions of 12 August 1949, concluded at Geneva on June 10, 1977. I also enclose for the information of the Senate the report of the Department of State on the Protocol.

The United States has traditionally been in the forefront of efforts to codify and improve the international rules of humanitarian law in armed conflict, with the objective of giving the greatest possible protection to victims of such conflicts, consistent with legitimate military requirements. The agreement that I am transmitting today is, with certain exceptions, a positive step toward this goal. Its ratification by the United States will assist us in continuing to exercise leadership in the international community in these matters.

The Protocol is described in detail in the attached report of the Department of State. Protocol II to the 1949 Geneva Conventions is essentially an expansion of the fundamental humanitarian provisions contained in the 1949 Geneva Conventions with respect to non-international armed conflicts, including humane treatment and basic due process for detained persons, protection of the wounded, sick and medical units, and protection of noncombatants from attack and

deliberate starvation. If these fundamental rules were observed, many of the worst human tragedies of current internal armed conflicts could be avoided. In particular, among other things, the mass murder of civilians is made illegal, even if such killings would not amount to genocide because they lacked racial or religious motives. Several Senators asked me to keep this objective in mind when adopting the Genocide Convention. I remember my commitment to them. This Protocol makes clear that any deliberate killing of a noncombatant in the course of a non-international armed conflict is a violation of the laws of war and a crime against humanity, and is therefore also punishable as murder.

While I recommend that the Senate grant advice and consent to this agreement, I have at the same time concluded that the United States cannot ratify a second agreement on the law of armed conflict negotiated during the same period. I am referring to Protocol I additional to the 1949 Geneva Conventions, which would revise the rules applicable to international armed conflicts. Like all other efforts associated with the International Committee of the Red Cross, this agreement has certain meritorious elements. But Protocol I is fundamentally and irreconcilably flawed. It contains provisions that would undermine humanitarian law

and endanger civilians in war. One of its provisions, for example, would automatically treat as an international conflict any so-called "war of national liberation." Whether such wars are international or non-international should turn exclusively on objective reality, not on one's view of the moral qualities of each conflict. To rest on such subjective distinctions based on a war's alleged purposes would politicize humanitarian law and eliminate the distinction between international and non-international conflicts. It would give special status to "wars of national liberation," an ill-defined concept expressed in vague, subjective, politicized terminology. Another provision would grant combatant status to irregular forces even if they do not satisfy the traditional requirements to distinguish themselves from the civilian population and otherwise comply with the laws of war. This would endanger civilians among whom terrorists and other irregulars attempt to conceal themselves. These problems are so fundamental in character that they cannot be remedied through reservations, and I therefore have decided not to submit the Protocol to the Senate in any form, and I would invite an expression of the sense of the Senate that it shares this view. Finally, the Joint Chiefs of Staff have also concluded that a number of the provisions of the Protocol are militarily unacceptable.

It is unfortunate that Protocol I must be rejected. We would have preferred to ratify such a convention, which as I said contains certain sound elements. But we cannot allow other nations of the world, however numerous, to impose upon us and our allies and friends an unacceptable and thoroughly distasteful price for joining a convention drawn to advance the laws of war. In fact, we must not, and need not, give recognition and protection to terrorist groups as a price for progress in humanitarian law.

The time has come for us to devise a solution for this problem, with which the United States is from time to time confronted. In this case, for example, we can reject Protocol I as a reference for humanitarian law, and at the same time devise an alternative reference for the positive provisions of Protocol I that could be of real humanitarian benefit if generally observed by parties to international armed conflicts. We are therefore in the process of consulting with our allies to develop appropriate methods for incorporating these positive provisions into the rules that govern our military operations, and as customary international law. I will advise the Senate of the results of this initiative as soon as it is possible to do so.

I believe that these actions are a significant step in defense of traditional humanitarian law and in opposition to the intense efforts of terrorist organizations and their supporters to promote the legitimacy of their aims and practices. The repudiation of Protocol I is one additional step, at the ideological level so important to terrorist organizations, to deny these groups legitimacy as international actors.

Therefore, I request that the Senate act promptly to give advice and consent to the ratification of the agreement I am transmitting today, subject to the understandings and reservations that are described more fully in the attached report. I would also invite an expression of the sense of the Senate that it shares the view that the United States should not ratify Protocol I, thereby reaffirming its support for traditional humanitarian law, and its opposition to the politicization of that law by groups that employ terrorist practices.

RONALD REAGAN

The White House,
January 29, 1987.

Letter to the Speaker of the House of Representatives and the Chairman of the Senate Foreign Relations Committee Reporting on the Cyprus Conflict

January 29, 1987

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with Public Law 95-384, I am submitting to you a bimonthly report on progress toward a negotiated settlement of the Cyprus question.

During this period U.N. Secretary General Perez de Cuellar continued his mission of good offices to achieve a negotiated Cyprus settlement. U.N. Under Secretary General Goulding visited Cyprus from November 6 to 12 to follow up on the Secretary General's discussions with Greek and Turkish Cypriot leaders in September and to explore with them how best to move forward.

According to the Secretary General's December 2 report to the Security Council on the U.N. operation in Cyprus (enclosed), Mr. Goulding discussed with the two Cypriot sides the Secretary General's approach to his mission of good offices and his effort to help the two parties achieve a negotiated settlement. He told the parties that the Secretary General was determined to pursue his efforts, preserving all that had been achieved so far and building on it for future progress.

The two Cypriot sides reiterated to Mr. Goulding their positions on the draft frame-

work agreement submitted by the Secretary General last March. They also expressed their support for the Secretary General's good offices mission.

Mr. Goulding also visited Ankara and Athens and informed the Turkish and Greek governments of his discussions in Cyprus.

Mr. M. James Wilkinson, the U.S. Special Cyprus Coordinator, visited Cyprus January 19 to 22 and met with President Kyprianou and Mr. Denktash. Mr. Wilkinson reiterated during his discussion our sincere interest in progress toward a just and lasting Cyprus settlement and our support for the efforts of the U.N. Secretary General to reach that goal. We are continuing our consultations with the Secretary General and with the parties to help them find ways to move forward.

Sincerely,

RONALD REAGAN

Note: Identical letters were sent to Jim Wright, Speaker of the House of Representatives, and Claiborne Pell, chairman of the Senate Foreign Relations Committee.

Statement by Special Counsellor to the President Abshire on the Iran Arms and *Contra* Aid Controversy

January 29, 1987

The President has consistently urged the release by the Senate Select Committee on Intelligence of its report on the Iran matter and the alleged diversion of funds to the anti-Sandinista forces and is pleased that this has now occurred. The committee's

report is an important step toward getting to the bottom of this matter, as the President has promised. Toward this end, the President will continue to work with the select committees in Congress, the Tower board, and the Independent Counsel.

Announcement of the Presentation of the Presidential Citizens Medal to Larry M. Speakes

January 30, 1987

The President today awarded the Presidential Citizens Medal to Larry M. Speakes, Assistant to the President and Principal Deputy Press Secretary.

The Presidential Citizens Medal was established by Executive Order 11494 of November 13, 1969, for the purpose of recognizing citizens of the United States of America who have performed exemplary deeds of service for their country or their fellow citizens. The medal may be bestowed by the President upon any citizen of the United States at the sole discretion of the President. The announcement of the granting of the medal and the presentation ceremonies may take place at any time during the year.

The citation reads as follows:

In journalism, politics, and Government, Larry Speakes has faithfully served the cause of truth and, in doing so, has served the cause of America. Veteran of the White House press office for 9 years under three administrations, conducting some 2,000 daily press briefings during this Administration, Larry Speakes has become a familiar sight to all of us. America has come to know him as a man cool under pressure, conscientiously working to get the facts out—a man whom the American people could always count on to tell them the truth. America is more knowledgeable because of Larry Speakes.

Prior to joining the White House staff as Deputy Press Secretary to the President on January 20, 1981, Mr. Speakes was vice president of the international public relations firm of Hill and Knowlton in 1977–1981. He served as deputy spokesman in the office of the President-elect during transition and was on the communications staff of the Reagan-Bush Committee during the 1980 campaign. The President appointed him to his current position of Assistant to the President and Principal Deputy Press Secretary on August 5, 1983. Mr. Speakes started his newspaper career in 1961 as

editor of the Oxford (Mississippi) Eagle and was managing editor of the Bolivar Commercial in Cleveland, MS, in 1962–1966. He was general manager and editor of Progress Publishers of Leland, MS, publishing weekly newspapers in four cities, 1966–1968. His newspapers won top awards from the Mississippi Press Association for 6 straight years.

Mr. Speakes came to Washington in 1968 as press secretary to Senator James O. Eastland (D-MS), serving as spokesman for the Committee on the Judiciary and a coordinator for Senator Eastland's 1972 reelection campaign. During his service with Senator Eastland, Mr. Speakes directed press relations for major Judiciary Committee hearings, including the confirmation of four Supreme Court Justices. In 1974 Mr. Speakes joined the Nixon administration as a Staff Assistant to the President and was later appointed Press Secretary to the Special Counsel to the President. In August 1974 he became Assistant Press Secretary to the President in the Ford administration. During the 1976 Presidential campaign, he was Press Secretary to Senator Bob Dole (R-KS), the Republican candidate for Vice President. When President Ford left office in 1977, Mr. Speakes became his press secretary, serving until June 1, 1977.

Mr. Speakes attended the University of Mississippi, where he majored in journalism. He has received honors and awards, including the Distinguished Journalism Alumni Award from the University of Mississippi in 1981; Kappa Sigma Fraternity National Man of the Year Award in 1982; honorary doctor of letters degree from Indiana Central University in 1982; and the Special Achievement Award for 1983 from the National Association of Government Communicators. He is married to the former Laura Crawford, has three children, and resides in Annandale, VA.

Statement by Principal Deputy Press Secretary Speakes on the Iran Arms and *Contra* Aid Controversy *January 30, 1987*

The President is pleased that the first report on the Iran matter is out and that it confirms his position that he neither authorized nor was aware of the alleged transfer of funds to the *contras*.

The report is consistent with the President's position that, from its inception, the Iran initiative was an effort to open a dialog with top officials of a strategically important country. Numerous documents summarized in the report indicate that this was the view of Iranians, as well as those on the American side. In implementing this policy, the release of hostages was an important preliminary step intended to show that the Iranians would no longer support terrorism and the sale of arms was a gesture of good faith on the part of the United States in pursuing this strategic opening. To be sure, the linking of arms sales to the release of hostages at several points during this 15-month episode could be interpreted as a trade of arms for hostages, but this was not the policy approved by the President.

The report contains no evidence whatsoever that the President was aware of, let alone approved, any diversion of funds to the *contras*. The report brings to light for the first time statements by Lt. Col. Oliver North—in his initial interview with Attorney General Meese—to the effect that he did not believe that the President was aware of the alleged diversion. In addition, Admiral Poindexter's statements to Mr. Meese and Donald Regan—that he had not inquired into the matter because "he felt sorry for the the *contras*"—substantiates the President's statements that he was never told of this plan.

Note: Larry M. Speakes read the statement to reporters at 9:15 a.m. in the Briefing Room at the White House. Oliver North was a former National Security Council staff member, John M. Poindexter was Assistant to the President for National Security Affairs, and Donald T. Regan was Assistant to the President and Chief of Staff.

Appointment of Charles D. Hobbs as Assistant to the President *January 30, 1987*

The President today announced the appointment of Charles D. Hobbs to be Assistant to the President, with primary responsibility to develop and implement reforms of the Nation's public assistance system. He will assume his duties immediately.

Since 1984 Mr. Hobbs has served as Deputy Assistant to the President for Policy Development, and since 1985 he has directed the White House Office of Policy Development. Previously, Mr. Hobbs was president and principal consultant of Charles D. Hobbs, Inc., a California-based public policy and management consulting firm. His company has served a wide variety of Federal, State, and local government agencies in the development of public service programs

and management plans. Mr. Hobbs was chief deputy director of social welfare in California, 1970–1972, and also served on then-Governor Reagan's tax limitation and local government task forces in 1973 and 1974. He was a delegate to the Economic Summit Conference on Inflation in 1975. Mr. Hobbs designed and managed the development of computer-based information and command/control systems from 1958 to 1970.

He graduated with honors from Northwestern University (B.S., 1955) and was a Woodrow Wilson fellow at UCLA in 1958 and 1959. He was a distinguished military graduate at Northwestern in 1955 and served 3 years as an officer in the United

States Air Force. He is married to Judith Fozzard Hobbs and has three sons: Charles,

Jonathan, and Jeremy. Mr. Hobbs was born on September 2, 1933, in Kansas City, MO.

Appointment of Gary L. Bauer as Assistant to the President for Policy Development

January 30, 1987

The President today announced the appointment of Gary L. Bauer to be Assistant to the President for Policy Development. He will succeed John A. Svahn.

Since October of 1982 Mr. Bauer has been at the Department of Education as Deputy Under Secretary for Planning, Budget and Evaluation; and since 1985 he has been Under Secretary of Education. Previously, Mr. Bauer served in the White House Office of Policy Development, first as a policy analyst and then as a policy adviser to the President and finally as Deputy

Assistant Director of Legal Policy, 1981–1982; as assistant director for policy/community services administration in the office of the President-elect, 1980–1981; and as a senior policy analyst in the Reagan-Bush campaign.

Mr. Bauer graduated from Georgetown College in Georgetown, KY, (B.A., 1968) and Georgetown University Law School in Washington, DC, (J.D., 1973). He is married to the former Carol Hoke, and they have three children. Mr. Bauer was born May 4, 1946, in Covington, KY.

Remarks on Signing the Message to the House of Representatives Returning Without Approval the Water Quality Act of 1987

January 30, 1987

The President. Welcome to the Old Executive Office Building. I'm still trying to find out how they got this thing built, because I think it was built before they had those big derricks. [Laughter] Well, it's good to see so many old friends and allies from the many battles of the budget that we've fought together. Despite the momentum of 30 years of steady growth in Federal spending, we've made, in these past 6 years, dramatic progress. For the first time in more than a decade, in real terms, the Federal Government this fiscal year is spending less than a year ago. And they said it couldn't be done.

Well, with Federal spending gradually being reined in, we've been able to reduce tax rates, bring inflation under control, and unleash the greatest antipoverty engine known to man: the free enterprise system of the United States of America. In the last 50 months almost 13 million new jobs have been created; 61 percent of the population

over 16 years old—the highest on record—has gone to work. The stock market has doubled in value. And we've embarked upon what could become the longest peacetime expansion since the Second World War. These are tremendous accomplishments, accomplishments that must be protected. Which brings me to the subject of this gathering today.

In the last 2 weeks, as its first major official act, the 100th Congress enacted an \$18 billion sewage treatment program that is so loaded with waste and larded with pork I cannot in conscience sign it. Not only is this act of Congress unacceptable as written, it is sad and deeply troubling for what it portends. Let me give you a brief history of this legislation. In 1985 we proposed a generous \$6 billion program to carry on and win the fight against pollution in America's estuaries, lakes, rivers, and streams. Both

political parties long ago agreed on the need for this legislation, and I felt that the executive branch and the Congress could surely agree on the amount. Well, last fall, however, as the campaign began to heat up, Congress tripled our proposal to \$18 billion; and I was forced to use a pocket veto to protect the budget gains that we had made.

Early in the new year, in a spirit of compromise, we offered to Congress a doubling of the spending that we had proposed—in other words, splitting the difference. We would go to \$12 billion, and we found ways and means to achieve this within the Gramm-Rudman-Hollings deficit targets. By offering to split the difference, we felt we could solve the problem to everyone's satisfaction and get on with the business of government. Not only, however, did the new Congress spurn our compromise, it sent down the same old \$18 billion budget-buster with virtually unanimous support, defying me to veto again a piece of legislation that had something in it for most of the Members of both Houses.

Well, I accept that challenge, and I am vetoing this legislation. And let me tell you why. First, countless projects in this bill have less to do with water than they do with the politics of the pork barrel, with enabling Members of Congress to go home to their districts and say: Look how I brought home the bacon. Second, if this legislation is allowed to pass without my protest, it'll send a powerful signal to the markets of the Nation and the world that the United States has, once again, abandoned the high road of fiscal responsibility, that we're, once again, starting down the same dismal and discredited path of spend and spend that led to the near ruin of our economy less than a decade ago.

Now, I know this veto is going to be over-ridden. I know I do not have the votes to sustain it. But it's time we did the right thing—all of us—regardless of the political fallout. Just 3 nights ago, the Congress of the United States rose in unanimous applause when I declared from the Speaker's

podium that the U.S. budget deficit was unacceptable and outrageous. Well, I'm now asking them to stand with me in the first great battle of the deficit in the 100th Congress. My friends on Capitol Hill, you cannot have it both ways. You cannot vote to radically increase deficits one day and decry them before the Nation the next. It's time for a little more political courage, a little more political consistency on the part of all of us.

With this veto I am imploring the Congress, once again, to stop, reflect, and reconsider before plunging ahead on this course. Do you really want to return to the politics of spend and spend? Do you really want to put at risk the immense progress that we've made together? Do you really want to aggravate a budget deficit as the primary cause of a trade deficit that has already cost thousands and thousands of American jobs? Let's not belly up to the same old bar, and let's not drive down that dangerous road again. Let's work together, both for clean water and responsible government.

In closing, let me say to both the Congress and the American people: I trust that this budget-busting water and sewer bill, the first major legislation of the new 100th Congress, proves to be an exception to the rule, an isolated error, and not a harbinger of things to come. For if it is, then Congress will not only have chosen to embark on a collision course with the executive branch, it would have risked, one day, being held fully accountable for derailing perhaps the greatest recovery the American people have ever known. Now, one bad test does not mean failing grades. So, let's hope that this is not a trend. And with that said, I shall take pen in hand.

Audience member. Just say no! [*Laughter*]

The President. I just said no.

Note: The President spoke at 11:03 a.m. in Room 450 of the Old Executive Office Building.

Message to the House of Representatives Returning Without Approval the Water Quality Act of 1987

January 30, 1987

To the House of Representatives:

I am returning herewith without my approval H.R. 1, the "Water Quality Act of 1987." Because all regulatory, research, enforcement, and permit issuance activities are continued under permanent law and current appropriations—including grants to finance the construction of sewage treatment plants—I emphasize that my veto will have no impact whatsoever on the immediate status of any water quality programs.

The cleanup of our Nation's rivers, lakes, and estuaries is, and has been for the past 15 years, a national priority of the highest order. This Administration remains committed to the objectives of the Clean Water Act and to continuing the outstanding progress we have made in reducing water pollution. But the issue facing me today does not concern the ensuring of clean water for future generations. The real issue is the Federal deficit—and the pork-barrel and spending boondoggles that increase it.

The Clean Water Act construction grant program, which this legislation funds, is a classic example of how well-intentioned, short-term programs balloon into open-ended, long-term commitments costing billions of dollars more than anticipated or needed. Since 1972, the Federal government has helped fund the construction of local sewage treatment facilities. This is a matter that historically and properly was the responsibility of State and local governments. The Federal government's first spending in this area was intended to be a short-term effort to assist in financing the backlog of facilities needed at the time to meet the original Clean Water Act requirements. When the program started, the cost of that commitment to the Federal taxpayer was estimated at \$18 billion. Yet to date, \$47 billion has been appropriated. H.R. 1 proposes to put still another \$18 billion of taxpayers' money into this program. Despite all this money, only 67 percent of all municipalities have actually completed the construction needed to comply with the

Clean Water Act pollution limits. On the other hand, non-municipal treatment systems, which have received no Federal funding, have completed 94 percent of the construction needed for compliance with Federal pollution standards. I want a bill that spends only what we need to spend and no more—not a blank check. For these reasons I must disapprove H.R. 1, a bill virtually identical to S. 1128, which I disapproved last November.

Money is not the only problem with this legislation. In my November 6th memorandum of disapproval, I noted that S. 1128 was unacceptable not only because it provided excessive funding for the sewage treatment grant program, but also because it reversed important reforms enacted in 1981, for example, increasing the Federal share of costs on some projects that municipalities were going to build anyway. Furthermore, both S. 1128 and this bill would also establish a federally controlled and directed program to control what is called "non-point" source pollution. This new program threatens to become the ultimate whip hand for Federal regulators. For example, in participating States, if farmers have more run-off from their land than the Environmental Protection Agency decides is right, that Agency will be able to intrude into decisions such as how and where the farmers must plow their fields, what fertilizers they must use, and what kind of cover crops they must plant. To take another example, the Agency will be able to become a major force in local zoning decisions that will determine whether families can do such basic things as build a new home. That is too much power for anyone to have, least of all the Federal government.

As part of my FY 1988 Budget, I proposed legislation that would avoid all these problems, while continuing our commitment to clean water. It would provide \$12 billion for the sewage treatment program, halfway between the \$6 billion I had proposed in 1985 and the \$18 billion the Con-

gress proposes. Senator Dole introduced this proposal as a substitute for H.R. 1.

Specifically, the Dole substitute that was voted on by the Senate was identical to all provisions of H.R. 1 for programs other than sewage treatment, with one important exception—its program for non-point source pollution was not an open end for Federal regulators. It kept Federal environmental regulators off of our farms, off of our municipal zoning boards, and out of the lives of ordinary citizens. The Dole substitute would have given States complete discretion over participation in the non-point source pollution program and complete discretion over how they used Federal funds in the program. Let me repeat—controlling non-point source pollution has the potential to touch, in the most intimate ways, practically all of us as citizens, whether farmers, business people, or homeowners. I do not believe State programs should be subject to Federal control.

The \$12 billion requested in the Dole substitute would have financed the “Federal share” of all of the treatment plants that have already been started. It would also have provided the “Federal share” of financing for all facilities needed to meet the July 1, 1988, compliance requirements in the Clean Water Act. It was as much money as we needed to get the job done—period.

The Dole substitute offered the Congress a genuine compromise that met all of the national objectives and goals. Nevertheless, the Congress chose to ignore that proposal, forgoing even the normal hearing process, and repassed last year’s legislation with virtually no changes. The House Rules Committee even prevented consideration of this compromise by the full House. They sought to challenge me. But in so doing they are sending a message to the American people and the world that those who want to raise taxes and take the lid off spending are back again. This is perilous.

H.R. 1 gave the Congress the opportunity to demonstrate whether or not it is serious about getting Federal spending under control. The Congress should fulfill its responsibility to the American people and support me on these important fiscal issues. Together we can cut the deficit and reduce spending. But by passing such measures as H.R. 1, the Congress divides our interests and threatens our future.

RONALD REAGAN

The White House,
January 30, 1987.

Note: H.R. 1, which passed over the President’s veto on February 4, was assigned Public Law No. 100-4.

Nomination of Jack F. Matlock, Jr., To Be United States Ambassador to the Soviet Union

January 30, 1987

The President today announced his intention to nominate Jack F. Matlock, Jr., a career member of the Senior Foreign Service, Class of Career Minister, as Ambassador to the Union of Soviet Socialist Republics. He would succeed Arthur Adair Hartman.

Since 1983 Mr. Matlock has been Special Assistant to the President for National Security Affairs and Senior Director of European and Soviet Affairs on the National Security Council staff. Before assuming these duties, he was U.S. Ambassador to Czechoslovakia from November 1981. Mr. Matlock earlier

served three tours of duty at the American Embassy in Moscow: as Chargé d’Affairs in 1981; deputy chief of mission, 1974–1978; and as consular officer and political officer specializing in Soviet internal affairs, 1961–1963. He also was Director of the Office of Soviet Union Affairs in the Department of State, 1971–1974; and he worked as a research analyst on Soviet affairs in the Department, 1956–1958. Mr. Matlock worked as an editor and translator on the Current Digest of the Soviet Press, 1952–1953. He joined the faculty of Dartmouth College in

1953 as instructor in Russian language and literature, where he stayed until his entry into the Foreign Service in 1956.

Mr. Matlock spent 7 years in Africa, serving as political officer at the U.S. Embassy in Accra, Ghana, 1963–1966; principal officer at our consulate in Zanzibar, 1967–1969; and as Chargé d’Affairs and deputy chief of mission at the U.S. Embassy in Dar es Salaam, Tanzania. His earlier Foreign Service assignments included a tour as consular officer in Vienna, Austria, 1958–1960. Mr. Matlock was deputy director of the For-

eign Service Institute, 1979–1980; and visiting professor of political science and diplomat in residence at Vanderbilt University during the 1978–1979 academic year.

He graduated from Duke University (A.B., 1950) and Columbia University (M.A., 1953). His foreign languages are Russian, French, German, Swahili, and Czech. Mr. Matlock is married to the former Rebecca Burrum, and they have five children. He was born October 1, 1929, in Greensboro, NC.

Appointment of Paul C. Sheeline as a Member of the Presidential Board of Advisors on Private Sector Initiatives

January 30, 1987

The President today announced his intention to appoint Paul C. Sheeline to be a member of the Presidential Board of Advisors on Private Sector Initiatives. This is a new position. The Board reports to the President through the White House Office of Private Sector Initiatives. The mission of the Board includes raising awareness, stimulating new private sector initiatives, removing barriers to public-private partnerships, and promoting the long-term development of private sector initiatives.

Mr. Sheeline is a director of Pan Am Corp., Pan American World Airways, National Westminster Bank U.S.A., and of counsel to the Washington law firm of Verner, Liipfert, Bernhard, McPherson &

Hand. Since 1966 Mr. Sheeline has been with Inter-Continental Hotels Corp. where he is now chairman of the board. Previously, he was chief executive officer, 1971–1985; president, 1971–1974; chief financial officer, 1966–1971; and with the law firm of Sullivan & Cromwell in New York City, 1948–1954. He is a member of the Council on Foreign Relations, a governor of the Foreign Policy Association, and a director of the Business Council for International Understanding.

Mr. Sheeline graduated from Harvard University (B.S., 1943; J.D., 1948). He is married, has five children, and resides in Huntington, NY. Mr. Sheeline was born June 6, 1921, in Boston, MA.

Designation of Richard W. Goldberg as a Member of the Board of Directors of the Rural Telephone Bank

January 30, 1987

The President today announced his intention to designate Richard W. Goldberg, Deputy Under Secretary of Agriculture for International and Commodity Programs, to be a member of the Board of Directors of the Rural Telephone Bank, Department of

Agriculture. He would succeed Frank W. Naylor, Jr.

Since 1983 Mr. Goldberg has been Deputy Under Secretary at the U.S. Department of Agriculture. Previously he was president of the Goldberg Feed & Grain

Co. He graduated from the University of Miami (B.B.A., 1950; J.D., 1952). Mr. Gold-

berg was born September 23, 1927, in Fargo, ND.

Accordance of the Personal Rank of Ambassador to Stephen R. Hanmer, Jr., While Serving as Deputy United States Negotiator for Strategic Nuclear Arms

January 30, 1987

The President today accorded the personal rank of Ambassador to Stephen R. Hanmer, Jr., in his capacity as Deputy United States Negotiator for Strategic Nuclear Arms. He is a member of the United States delegation to the arms reduction negotiations in Geneva. He will succeed Ronald F. Lehman II in this capacity.

Mr. Hanmer was employed as an electrical engineer with Radio Corporation of America in Moorestown, NJ, 1955-1956. In 1956 he joined the United States Army and served until August of 1977, when he retired with the rank of colonel. He then worked as a scientist with Science Applications, Inc., in McLean, VA, until 1978 when he joined the Department of Defense. He has served at Defense in the following posi-

tions: nuclear plans officer in the U.S. Mission to NATO; Director, Office of Theater Nuclear Force Policy, Office of the Assistant Secretary of Defense for International Security Policy; Acting Principal Deputy Assistant Secretary of Defense for International Security Policy; and personal representative of the Secretary of Defense on the START negotiation.

He graduated from the Virginia Military Institute in Physics (B.S., 1955) and the University of Southern California in Mechanical Engineering and Aerospace Engineering (M.S., 1964). He is married to the former Lois Boteler, and they have three children. Mr. Hanmer was born August 15, 1933, in Denver, CO.

Radio Address to the Nation on Administration Goals

January 31, 1987

My fellow Americans:

A few days ago, when I arrived in the House Chamber for the State of the Union Address, I also hand delivered a formal legislative message. Today I thought I would share with you some of our goals and objectives for this Congress.

In the State of the Union Address, I spoke of our quest for excellence, especially in education. To achieve this, I've suggested to Congress that we target our Federal resources on the neediest schools and youngsters, that we set a goal of dramatically raising the literacy levels in America by the year 2000, and that we permit greater flexibility and innovation in federally funded, bilingual education programs.

Education, of course, is not just schooling,

and it is not just for the young. We'll be proposing to Congress a new program to help workers displaced by the rapid changes going on in our economy. Our billion-dollar effort will provide the education and training needed to help an estimated 700,000 additional workers each year restructure their lives to keep them and America competitive in world markets. For less fortunate families, we're also proposing a new emphasis on employment and training through a program we call Greater Opportunities through Work, or GROW for short. Complementary to that, we are asking that \$800 million be spent for improving the skills of children from welfare families, giving these youngsters a road map to a life out of poverty.

To keep our country on the cutting edge of change, I am proposing to Congress that we double the budget of the National Science Foundation over the next 5 years and that we establish a number of new science and technology centers based at U.S. universities, centers that would reflect a partnership in basic research between government, business, and the academic community. Since 1981 our budgetary support for basic research has grown 47 percent in real terms. We are committed to keeping our country leading the way in the era of science and technology. Meeting the competitive challenges of today and tomorrow won't be easy. Vice President Bush, who led the deregulation drive early in the administration, is taking a fresh look to see what can be done, from a competitiveness standpoint, to clear away unnecessary Federal regulation and paperwork burdens. One thing that will help is coming to grips with the costly liability insurance spiral. Legislation to do that, while still providing the necessary protections for consumer and health safety, will soon be proposed.

One of our greatest challenges is to accomplish our goals while still reducing the level of deficit spending that so threatens our future. Now is the time for discipline and restraint in the halls of power. You might remember, in the State of the Union I asked Congress for a line-item veto, ratification of a balanced budget amendment, and reform of the budget process. If we're to put our fiscal house in order—and that's essential—it requires fundamental, structural change. And I'm willing to work with Congress to get it done.

One of our priorities, one of the top, continues to be the fight against drug abuse. There've been claims that we've backed off our commitment this year. Nothing could be further from the truth. With all due respect to those who suggest otherwise, our commitment to the battle against drugs is stronger than ever. Since 1981 the funds budgeted for this effort have been tripled, and some of the funds already appropriated will actually be spent next year. So, even though next year's antidrug budget request is a bit lower, more funds will actually be spent in the battle than ever before.

On another point, you should also be aware that the amount spent on education in America has increased every year of our administration. Instead of taxing it away from local people and giving it back to them along with Federal guidelines and controls, we've left that revenue in local coffers and in your hands, so you the people, working with your local school boards, can determine how your children will be educated. As for higher education, the Federal Government will be spending less, but with the changes we've proposed, fewer dollars are needed to help the same number of students.

The changes we've made in these last 6 years have kept us on a steady course, have maintained the peace, and promoted healthy growth in our economy. The state of the Union is good, and together we're going to keep it that way.

Until next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from the Oval Office at the White House.

Announcement of the Resignation of William J. Casey and the Nomination of Robert M. Gates as Director of Central Intelligence *February 2, 1987*

The President today accepts with reluctance and deep regret the resignation of William Casey as Director of Central Intelligence. Director Casey remains in Georgetown Hospital recovering from his recent

operation. The President has asked Mr. Casey to become Counsellor to the President whenever Mr. Casey feels his recovery is sufficient to assume those responsibilities. The President and Mr. Casey have enjoyed

a long private and professional relationship. The President commends Mr. Casey for his outstanding leadership at the CIA and for his service to the Nation. An exchange of letters will be available later today.

The President will nominate Robert M. Gates, who has been Acting Director of the CIA during Mr. Casey's illness, to be the new Director of Central Intelligence. Mr. Gates will continue to run the CIA during the process of his nomination. Mr. Gates was sworn in as Deputy Director of Central Intelligence on April 18, 1986. A native of Kansas, he received his B.A. degree from the College of William and Mary in 1965, his master's degree in history from Indiana University in 1966, and his doctorate in Russian and Soviet history from Georgetown University in 1974.

Mr. Gates joined the Central Intelligence Agency in 1966, serving as an intelligence analyst and as one of two Assistant National Intelligence Officers for Strategic Programs. In 1974 he was assigned to the National Security Council staff. After nearly 6 years at the National Security Council, serving

three Presidents, Mr. Gates returned to the Central Intelligence Agency in late 1979. He subsequently was appointed to a series of administrative positions and served as National Intelligence Officer for the Soviet Union prior to his appointment as Deputy Director for Intelligence in January 1982. As DDI for nearly 4½ years, Mr. Gates directed the Central Intelligence Agency's component responsible for all analysis and production of finished intelligence. In September 1983 Director Casey appointed Mr. Gates Chairman of the National Intelligence Council concurrent with his position as Deputy Director. As Chairman of the National Intelligence Council, Mr. Gates directed the preparation of all national intelligence estimates prepared by the Intelligence Community.

Mr. Gates is the recipient of the Distinguished Intelligence Medal; the Intelligence Medal of Merit; and the Arthur S. Fleming Award, which is presented annually to the 10 most outstanding young men and women in the Federal service. Mr. Gates and his wife Becky have two children.

Letter Accepting the Resignation of William J. Casey as Director of Central Intelligence

February 2, 1987

Dear Bill:

It is with profound regret that I accept your resignation as Director of Central Intelligence.

When I nominated you to this post just over six years ago and you took your seat as a member of my Cabinet, the United States faced an array of foreign policy challenges. Many of these challenges flowed naturally from America's position as leader of the Free World. Others, however, were of our own making, reflecting the relative decline in our military strength and the steady erosion of our intelligence capabilities. We came to office determined to restore that strength and those capabilities, the keys to a future of peace and freedom for ourselves and for all mankind.

To achieve these goals, we needed first to

remind ourselves both that our mission was worthwhile and that we were worthy to succeed in it. At such a time, America could not have been more fortunate than to have at its service a person of your experience and courage. First and foremost, you brought to the Central Intelligence Agency a keen sense of history, a deep understanding of the geopolitical forces at work in the 20th century. With the Office of Strategic Services in World War II, you guided intelligence activity in Eisenhower's theatre of operation. You saw the value of sophisticated intelligence during one of the most critical periods in our Nation's history. You saw firsthand what pride and morale mean to those on the front lines of freedom. I know that nothing gives you greater satisfaction than the knowledge that, forty years later,

you have helped restore that sense of pride and morale to America's intelligence services during another critical hour.

America has been blessed to have the service and the spirit of Bill Casey. You have given your fellow citizens your very best not only in my Administration, but in all the varied roles you have taken on during your distinguished career. As a businessman, lawyer, author, professor, and public servant, you consistently achieved great success through hard work, a sustained vision of the public good, and fidelity to the values that make our Nation great.

From the days of the campaign in 1980 through the transition and halfway through this second term, I have been fortunate to have you by my side. Your commitment and your achievements will continue in the institutions of government which you led so well and in the cause of liberty you so proudly served.

As you know, I am holding open for you

the position of Counsellor to the President for whenever you feel your recovery is sufficient to assume those responsibilities.

On behalf of all Americans, thank you for all you've done. Nancy and I send you and Sophia our warmest wishes.

Sincerely,

RON

29 January 1987

Dear Mr. President:

I herewith submit my resignation as Director of Central Intelligence effective this date, January 29, 1987. It has been a great honor serving you.

Respectfully,

WILLIAM J. CASEY

Note: The original of Mr. Casey's letter was not available for verification of its contents.

Appointment of Donald Ian Macdonald as Special Assistant to the President for Drug Abuse Policy and Director of the Drug Abuse Policy Office

February 2, 1987

The President today announced the appointment of Donald Ian Macdonald as Special Assistant to the President for Drug Abuse Policy and Director of the White House Drug Abuse Policy Office. Dr. Macdonald now serves as the Administrator of the Alcohol, Drug Abuse, and Mental Health Administration (ADAMHA), Department of Health and Human Services. He will continue those duties on an interim basis pending the selection of a replacement.

Since 1984 Dr. Macdonald has been responsible for administering and coordinating Federal programs and activities to improve understanding, prevention, and treatment of alcohol, drug abuse, and mental health disorders. He also served as Acting Assistant Secretary for Health, heading the U.S. Public Health Service, from December 1985 to July 1986, and as one of four Presi-

dential representatives of the Board of Governors of the American Red Cross. He is an Assistant Surgeon General, PHS Commissioned Corps, a rank equivalent to Navy rear admiral. Prior to joining the administration, Dr. Macdonald was a practicing pediatrician in Clearwater, FL, and a national leader in the parents movement against drug abuse. He also was clinical associate professor of pediatrics at the University of South Florida, College of Medicine, and an active member of the Florida Medical Association, serving as chairman of the association's committee on substance abuse. Dr. Macdonald has been affiliated with numerous professional and public organizations and groups. He served as president, Scientific Advisory Board, American Council on Drug Education; president, Florida Pediatric Society; board of directors, National

Federation of Parents for Drug-Free Youth; and director of clinical research, Straight, Inc., an adolescent drug treatment program in St. Petersburg, FL. He is the author of numerous articles on substance abuse and related topics for both professional and lay audiences.

Dr. Macdonald is a graduate of Williams College in Williamstown, MA (1952), and Temple University medical school in Philadelphia (1958). He is married and has four children. He was born in New York City on April 15, 1931.

Statement by Assistant to the President for Press Relations Fitzwater on the Iran Arms and *Contra* Aid Controversy *February 2, 1987*

President Reagan will continue to provide all information required by those conducting the inquiries into the Iran matter. Should it be determined the material is needed, the President is willing to make available relevant excerpts from his person-

al notes. This is consistent with his meeting with the Tower board and his commitment to cooperate fully. The President wants to get to the bottom of the matter and fix what went wrong.

Remarks to the Penn State Nittany Lions, National Collegiate Football Champions *February 2, 1987*

Well, President Jordan and Coach Paterno and players of the Penn State football team, let me start by saying congratulations! You know, I was a sports announcer once, and in one broadcast, I referred to the Nittany Lions. And you've got a widespread alumni. I got letters from all over, because I was talking about the Columbia—or talking to the Columbia Lions. [*Laughter*] And I found out who the Nittany Lions really were. [*Laughter*] Well, the undefeated national champions of college football—it's a title that you all fought hard to win, and the Fiesta Bowl was a fitting end to a proud season. You showed that you deserved to be national champions.

In the 100 years since that November day when Penn State's first football team took the field and beat Bucknell 54 to nothing, I bet there haven't been many more exciting moments than those when, with seconds to go, Miami was knocking and you didn't let them in. First came Tim Johnson's sack of a great athlete, Vinny Testaverde, who had a

receiver wide open with a sure chance to score. And then came Pete Giftopoulos' goal line interception; Penn State players and fans will remember it as long as they live. Pete and Tim, you and the entire squad played cool, smart, hard-hitting defense. You forced errors in the opposition, and that's saying a lot, because Miami is an outstanding team, and they don't usually make mistakes.

As for the offense, same story: smart and hard-hitting. Down by 7 minutes to go in the first half, you—that isn't 7 minutes. I sort of sloughed that. Down by 7, minutes to go in the first half—[*laughter*—you drove 74 yards; and then with everyone covered and no second chances, John Shaffer ran the last 4 yards himself. And Penn State was on the board and on the way.

And let me just say a word for someone who's often forgotten: the kicker. Every time John Bruno punted, it meant their own 40 or 25 or, most of the time even

further back than that for Miami. I could go on and talk about what every one of you did. Trey Bauer said afterwards, "This is the greatest game in Penn State history." And if anyone is going to take issue with that, it isn't going to be me. *[Laughter]* He's bigger than me—*[laughter]*—and a little younger. *[Laughter]*

But, yes, you of Penn State showed all the pundits and the odd-makers, who'd said that at last you'd met your match, that they were just plain dead wrong. And you know, that so inspires me that next time I go see Congress I might just wear that Nittany Lions hat. *[Laughter]*

Now before I finish, let me say a special congratulations to Coach Joe Paterno. For my money, I think he's one of the greatest coaches ever in college sports. And I'm not thinking just of his two national championships, his four times as coach of the year, his six undefeated regular seasons, his 15 sea-

sons in the top 10, his 80-percent winning record, or his lifetime total of 199 victories. No, I say he's one of the best, because while accumulating all those honors and records, he's never forgotten that, first and foremost, he's a teacher who's preparing his students not just for the season but for life. America is great because through our history we've had men and women with his kind of goodness, honor, and decency; his kind of dedication to his calling; and, yes, his kind of values.

So, Coach Paterno and all of you, welcome to the White House, congratulations, and God bless you all.

Note: The President spoke at 1:19 p.m. in the East Room at the White House. In his remarks, the President referred to Bryce Jordan, president of Penn State University, and Trey Bauer who was a linebacker on the team.

Executive Order 12582—Naturalization Requirements Exceptions for Aliens and Non-Citizen Nationals of the United States Who Served in the Grenada Campaign *February 2, 1987*

By the authority vested in me as President by the Constitution and laws of the United States of America, including Section 1440 of Title 8, United States Code, and in order to provide expedited naturalization for aliens and non-citizens who served in the Armed Forces in the Grenada campaign, it is hereby ordered as follows:

For the purpose of determining qualification for the exceptions from the usual requirements for naturalization, the period of Grenada military operations in which the Armed Forces of the United States were engaged in armed conflict with a hostile foreign force commenced on October 25, 1983, and terminated on November 2, 1983. Those persons serving honorably in active-duty status in the Armed Forces of the United States during this period, in the Grenada campaign, are eligible for naturalization in accordance with the statutory exceptions to the naturalization requirements,

as provided in Section 1440(b) of Title 8, United States Code. Qualifying active-duty service includes service conducted, during this period, on the islands of Grenada, Carriacou, Green Hog, and those islands adjacent to Grenada in the Atlantic Seaboard where such service was in direct support of the military operations in Grenada. Qualifying active-duty service during this period also includes service conducted in the air space above Grenada, in the adjacent seas where operations were conducted, and at the Grantly Adams International Airport in Barbados.

RONALD REAGAN

The White House,
February 2, 1987.

[Filed with the Office of the Federal Register, 2:53 p.m., February 2, 1987]

Proclamation 5605—National Poison Prevention Week, 1987 *February 2, 1987*

*By the President of the United States
of America*

A Proclamation

Accidental poisonings, in which children swallow medicines or household chemicals, continue to be a tragic public health problem in our country. Since the first National Poison Prevention Week, in 1962, our Nation's yearly death toll has dropped by more than 80 percent. But even as we rejoice in this progress, we resolve to redouble our efforts to reduce the number and severity of childhood poisonings.

The National Center for Health Statistics reports that in 1984, the most recent year reported, 64 children died after accidentally swallowing household chemicals or medicines. And the American Association of Poison Control Centers in 1984 received more than 360,000 reports of ingestion of poison by children under five.

Thankfully, a number of organizations, private and public, continue to do a great deal to stop these accidents. The Poison Prevention Week Council coordinates a national network of health, safety, business, and voluntary groups to increase public awareness. The United States Consumer Product Safety Commission administers the Poison Prevention Act and requires child-resistant closures on many products that are potentially dangerous to children. The Poison Control Centers throughout our land

provide emergency first aid information if poisonings occur. And many State and local health departments, hospitals, pharmacies, cooperative extension agents, and others conduct poison prevention programs. We can be most grateful for the caring and concern shown by these Americans.

To encourage the American people to learn more about the dangers of accidental poisonings and to take more preventive measures, the Congress, by joint resolution approved September 26, 1961 (75 Stat. 681), has authorized and requested the President to issue a proclamation designating the third week of March of each year as "National Poison Prevention Week."

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate the week beginning March 15, 1987, as National Poison Prevention Week. I call upon all Americans to observe this week by participating in appropriate ceremonies and events.

In Witness Whereof, I have hereunto set my hand this second day of February, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 2:52 p.m., February 2, 1987]

Nomination of Jean K. Elder To Be an Assistant Secretary of Health and Human Services *February 3, 1987*

The President today announced his intention to nominate Jean K. Elder, of Virginia, to be an Assistant Secretary of Health and Human Services (Human Development Services). She would succeed Dorcas R. Hardy.

Since June 1986 Dr. Elder has been

Acting Assistant Secretary of Health and Human Services (Human Development Services). Previously, she was Commissioner on Developmental Disabilities, Department of Health and Human Services, 1982–1986; a consultant for special education services, Michigan Department of Education, Lan-

sing, 1981–1982; and president of J&J Associates, an educational consulting firm in Marquette, MI, 1980–1981. At Michigan State University College of Human Medicine in Marquette, she was director of planning, evaluation and academic affairs, and an associate professor, 1978–1980; and she was an associate professor, department of education, Northern Michigan University, 1977–1978. She is the author of numerous

publications in the field of developmental disabilities, mental retardation, and special education and has lectured widely to State, national, and international audiences.

Dr. Elder graduated from the University of Michigan (B.S., 1963; M.A., 1966; Ph.D., 1969). She is married, has two children, and resides in McLean, VA. Dr. Elder was born on May 30, 1941, in Virginia, MN.

Nomination of Two Members of the National Council on the Handicapped

February 3, 1987

The President today announced his intention to nominate the following individuals to be members of the National Council on the Handicapped for terms expiring September 17, 1989:

Theresa Lennon Gardner, of the District of Columbia. She would succeed Jeremiah Milbank. Mrs. Gardner has been a teacher and volunteer

with the therapeutic riding program of Washington, DC. She was born on December 5, 1941, in Washington, DC.

Harry J. Sutcliffe, of New York. He would succeed Michael Marge. Since 1959 Mr. Sutcliffe has been director at the Episcopal Guild for the Blind in Brooklyn, NY. He was born on August 10, 1925, in Brooklyn.

Appointment of Two Members of the Federal Service Impasses Panel

February 3, 1987

The President today announced his intention to appoint the following individuals to be members of the Federal Service Impasses Panel, Federal Labor Relations Authority, for terms expiring January 10, 1992. These are reappointments.

N. Victor Goodman, of Ohio. Mr. Goodman is an attorney and copartner with the firm of Beniesch, Friedlander, Coplan & Aronoff in Columbus, OH. He graduated from Yale University

(B.A., 1957) and Harvard University (J.D., 1961). He was born on June 15, 1936, in Columbus, OH.

Daniel H. Kruger, of Michigan. Since 1956 Dr. Kruger has been a professor of industrial relations at Michigan State University in East Lansing. He graduated from the University of Richmond (B.A., 1949) and the University of Wisconsin (M.A., 1951; Ph.D., 1954). Dr. Kruger was born on December 15, 1922, in Norfolk, VA.

Statement by Assistant to the President for Press Relations Fitzwater on the Philippine Constitutional Plebiscite *February 3, 1987*

On February 2, an estimated 20 million Filipinos went to the polls to vote on a new constitution. This plebiscite is a significant milestone on the path of democratic renewal which President Aquino has charted for the Philippines. Representative civilian government is the very essence of the democratic process. In view of our own history and values, it is an institution the United States encourages vigorously and supports totally. We congratulate the people of the Philippines on their latest, successful exercise in democracy and wish them equally well in the political contests ahead.

The United States pledges continuing

support for President Aquino's courageous efforts to maintain her fellow Filipinos' freedom and participation in the political process. These are the surest guarantees that the Philippines will achieve the internal harmony, political stability, and economic prosperity it needs and has earned. The President has sent President Aquino a message conveying his personal congratulations on the successful conclusion of the plebiscite.

Note: Marlin Fitzwater read the statement to reporters at 12:08 p.m. in the Briefing Room at the White House.

Remarks at a White House Ceremony Honoring the Citizens of Chase, Maryland, Who Assisted in the Amtrak Accident Rescue *February 3, 1987*

It's an honor to have you all here at the White House. Now, I know that must sound strange. Most people think of it as an honor to be invited here, and that includes myself. I remember how humble I felt on that day in 1980 when the American people first asked me to come here. But today the tables are turned. For by your deeds, you and the members of your community have honored all America. You've shown us all, once again, the love and courage, the self-sacrifice and eagerness to help and serve those in need—in short, the qualities that for generations have been the heart of American life.

It was an ordinary winter's day at the end of the New Year's weekend. Some of you were hanging out laundry. Some of you were about to watch the football game. And then something happened—investigators are still piecing together just what it was—and your community was face-to-face with the worst accident in Amtrak history. And that's when, on that ordinary day, the people of Chase, Maryland, showed that

what we take as ordinary in America is really very wonderful and special, very extraordinary.

Robert Booker and his cousin, Michael Cooper, were among the first on the scene. Robert climbed into a burning car. He couldn't save everyone. And I know that he and all of you've thought a great deal since that day about those whom God took into his arms, but also remember that there are many who are alive today because of your strength and courage. You gave to scores of people the gift of life. As Michael and Robert worked together helping to pull people out of the train, Eve Booker and Juanita Mattes helped to care for the injured, cleaning their wounds, wrapping them, covering them with blankets from their homes to keep them warm. As one reporter wrote of Eve and Juanita: "They acted quickly, calmly, heroically. But when the night ended, the 15-year-olds wept."

Well, those stories of sacrifice and love were repeated hundreds of times that day.

All of you and your neighbors helped people escape the wreck, helped care for them, feed them, and gave them shelter. Nancy Tharpe said there were 45 passengers in her house on that Sunday. As Bob Cooper said later, "Everybody just chipped in and did what they had to do." And as a result, most of the passengers were out of the train even before the emergency crews arrived. In the hours and days that followed, you took into your homes not only the victims of the crash but rescue workers and reporters, too. I don't want to forget the magnificent work of those workers or the people who, within hours, lined up to give blood for the victims. They made us all proud, too.

Some have talked since about how amazing you were, and I know that Cathi Fischer spoke for all of you when she told a reporter, "I don't think it was anything remarkable. I think if it had been another community they would have done the same thing." But that's just the point; you all did what Americans have done for more than two centuries: When others were in need, you didn't point to the other guys. You just rolled up your sleeves and went to work.

Not long ago a commentator on the network news show said that we Americans had become selfish, only out for ourselves, had lost our dedication to community and country. I know he's paid well to give his wisdom to the country each and every week. But for my money, the true wisdom is in Cathi Fischer's words, and the best answer to him is your example. Yes, on an ordinary day in January, Americans in an ordinary American community showed ex-

traordinary courage, self-sacrifice, and love for their fellow man. And when it was all over, you didn't brag and shout. You just went back to your daily work. But you left behind a gift not just for crash victims but for all of us. Your strength strengthened all Americans. Your spirit will long inspire and guide us all. And as President, I just asked you here today so I could say thanks. Thank you all, and God bless you all.

And now I'd like to award the Private Sector Initiatives Commendation to the community of Chase, Maryland. And, Robert Booker, will you please step forward and receive this? This is in recognition of the exemplary community service in the finest American tradition. Thank you all very much. And just for my curiosity, where are the two young ladies sitting that that night cried? I know they're out there with you someplace. There you are. Well, God bless you.

Well, again, I hate to walk away and leave, but they tell me I've still got things to do over there. I haven't told this for a long time, but I got some letters from some young people when I first arrived in Washington. And one of them that always appealed to me was from a little girl and she wrote—and very informed about the things that were facing me and the problems I had to solve and everything. And when she finished she said, "Now, get back to the Oval Office, and get to work." [Laughter] So, that's what I'll do. Thank you all.

Note: The President spoke at 1:29 p.m. in Room 450 of the Old Executive Office Building.

Proclamation 5606—National Women in Sports Day, 1987 *February 3, 1987*

*By the President of the United States
of America*

A Proclamation

In 1885, Oberlin College established the first department of physical education for women in a coeducational school. Today,

some 100 years later, women's sports are a vital component of college life and their impact is felt far beyond the university campus.

The history of women in sports is rich and long and has provided millions with an opportunity for growth, development, and

the pursuit of challenging goals. From youth sports to the Olympic arena, female athletes have shown levels of spirit, talent, and accomplishment undreamt of on that midwest campus a century ago.

Participation in sports contributes to the emotional, physical, and intellectual development of women of all ages. Through individual and team activities, young girls develop self-discipline, initiative, respect for fair play and cooperation, and communication and leadership skills that will help them succeed throughout their lives. Early positive experiences strongly influence wholesome lifelong habits of physical fitness, and thus have a direct bearing on the health and well-being of this Nation.

Great strides have been made in women's athletics along with the realization that women are entitled to equal opportunity on and off the playing field. In 1972 only a handful of college athletic scholarships were made available for women; today they number some 10,000. In the past decade the number of women involved in college athletics has grown from 32,000 to 150,000. This same period saw a 110 percent increase in female participation in public high school sports programs. In 1984, the women on our Olympic team brought home 44 percent of the gold medals available to them, making America's female athletes a significant force on the international sports scene.

The number of women participating in sports continues to grow, and we will continue to assure that more opportunities are created. From coach to administrator, women play an important role in the development of athletic programs for people of all ages.

In recognition of the contributions women's sports have made to this country, and of the need to further advance women's sports, the Congress, by Public Law 99-540, has designated February 4, 1987, as "National Women in Sports Day" and authorized and requested the President to issue a proclamation in observance of this event.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim February 4, 1987, as National Women in Sports Day.

In Witness Whereof, I have hereunto set my hand this third day of February, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 2:54 p.m., February 4, 1987]

Note: The proclamation was released by the Office of the Press Secretary on February 4.

Message to the Crew of *Stars & Stripes* on Winning the America's Cup Competition

February 4, 1987

On behalf of the people of the United States of America, Nancy and I are pleased to send our most sincere congratulations to you, the crew and syndicate members of *Stars & Stripes*. Your victory represents more than just another yachting triumph. It reflects the pinnacle of team work, competitiveness, hard work and American stick-to-it ingenuity. Your patience has paid off and all of America is proud.

On a more personal note, having bet

Prime Minister Hawke my favorite cowboy hat on your sailing abilities, I'm pleased to report that my head will remain warm and dry during my next visit to the ranch.

I would be pleased to receive you and the crew at the White House upon your arrival in the United States.

Sincerely,

RONALD REAGAN

Nomination of Van B. Poole To Be a Member of the National Advisory Council on Educational Research and Improvement *February 4, 1987*

The President today announced his intention to nominate Van B. Poole to be a member of the National Advisory Council on Educational Research and Improvement for a term expiring September 30, 1989. He would succeed Carl W. Salser.

Mr. Poole is vice president of National Enrollment & Marketing Corp. in Fort Lauderdale, FL. Previously, he was a partner with Krieg, Kostas and Poole Insurance Co.;

director, First State Bank of Fort Lauderdale; and Humble Oil and Refining Co., 1958–1968. He was elected to the Florida Senate, 1978–1982, where he served as minority leader, 1980–1982.

Mr. Poole graduated from Memphis State University (B.S., 1958). He is married, has four children, and resides in Sea Ranch Lakes, FL. Mr. Poole was born July 5, 1935, in Jackson, TN.

Appointment of Harvey M. Meyerhoff as Chairperson of the United States Holocaust Memorial Council *February 4, 1987*

The President today announced his intention to appoint Harvey M. Meyerhoff to be Chairperson of the United States Holocaust Memorial Council for a term of 5 years. He would succeed Elie Wiesel.

Mr. Meyerhoff is president of Magna Properties, Inc., in Baltimore, MD. Previously, he was chairman of the board and chief executive officer of Monumental Properties, Inc. Mr. Meyerhoff is an honorary life director of the National Association of

Home Builders and the League for the Handicapped, Inc. He is also past president of Associated Jewish Charities & Welfare Fund of Baltimore, Inc. Mr. Meyerhoff currently serves as a trustee of the Johns Hopkins University, and he is chairman of the board of the Johns Hopkins Hospital.

Mr. Meyerhoff graduated from the University of Wisconsin (B.B.A., 1948). He is married and has four children. Mr. Meyerhoff resides in Owings Mills, MD.

Appointment of Two Members of the Board for International Food and Agricultural Development *February 4, 1987*

The President today announced his intention to appoint the following individuals to be members of the Board for International Food and Agricultural Development for terms expiring July 28, 1988:

Paul Findley, of Illinois. This is a reappointment. He is currently an author/consultant in Jacksonville, IL. Previously Mr. Findley was a Member of the U.S. House of Representatives from 1961 to 1982. He graduated from Illinois

College (A.B., 1943; LL.D., 1973).

Leo M. Walsh, of Wisconsin. He would succeed Duane Acker. Mr. Walsh is currently dean and director of the College of Agricultural and Life Sciences at the University of Wisconsin. Previously he was chairman of the department of soil science at the University of Wisconsin. Mr. Walsh graduated from Iowa State University (B.S., 1952) and the University of Wisconsin (M.S., 1957; Ph.D., 1959).

Remarks at the Annual National Prayer Breakfast February 5, 1987

Distinguished clergy and Senators and Congressmen, guests, all our good friends: Nancy and I are delighted to be here with you today. It gives one a very good feeling to see so many of our national leaders here, and so many representatives of other countries, gathering together in a community of faith. Two hundred years ago another group of statesmen gathered together in Philadelphia to revise the Articles of Confederation and bring forth our Constitution. They often found themselves at odds, their purpose lost in acrimony and self-interest, until Benjamin Franklin stood up and said: "I have lived a long time, and the longer I live, the more convincing proofs I see of this truth—that God governs in the affairs of men. And if a sparrow cannot fall to the ground without His notice, is it probable that an empire can rise without His aid?" And then he called upon the convention to open each day with prayer.

How, with so much against them, could our Founding Fathers have dared so much, to declare for all the world and all future generations the rights of man, the dignity of the individual, the hopes of all humanity? Was it because they believed that God was on their side? Or was it because they prayed to discover how they might be on God's side? Our Founding Fathers knew that their hope was in prayer. And that's why our Declaration of Independence begins with an affirmation of faith and why our Congress opens every day with prayer. It is why the First Congress of the fledgling United States in the Northwest Ordinance provided for schools that would teach "religion, morality, and knowledge"—because they knew that no man, no nation, could grow in freedom without divine guidance.

If I might be allowed a personal note here. When I attended the commencement ceremonies at the Air Force Academy, I was surprised at how many of the graduating cadets came up to me, hand extended—930 in all—and told me they were praying for me. When I mentioned this to the commanding general, he told me that every

morning you could find several hundred cadets in the chapel beginning their day with prayer. Hardly a day goes by that I'm not told—sometimes in letters and sometimes by people I meet—that they're praying for me. It's a warm but humbling feeling. Sometimes I answer when someone says that; I feel I have to say something. And I tell them that if they ever get a busy signal, it's because I'm in there ahead of them. *[Laughter]*

I grew up in a home where I was taught to believe in intercessory prayer. I know it's those prayers, and millions like them, that are building high and strong this cathedral of freedom that we call America; those prayers, and millions like them, that will always keep our country secure and make her a force for good in these too troubled times. And that's why as a nation we must embrace our faith, for as long as we endeavor to do good—and we must believe that will be always—we will find our strength, our hope, and our true happiness in prayer and in the Lord's will.

I'd like to conclude with a story that is told by Dr. Paul Brand, the noted leprosy specialist, in his book "Fearfully and Wonderfully Made." Dr. Brand tells us of how, after World War II, a group of German students—young people—volunteered to help rebuild a cathedral in England that had been a casualty of the Luftwaffe bombings. And as the work progressed, debate broke out on how best to restore a large statue of Jesus with his arms outstretched and bearing the familiar inscription: Come Unto Me. Careful patching could repair all damage to the statue except for Christ's hands, which had been destroyed by bomb fragments. Should they attempt the delicate task of reshaping those hands? And finally the young workers reached a decision that still stands today. The statue of Jesus has no hands, but the inscription now reads: Christ Has No Hands But Ours. Isn't that really what he was always trying to tell us? Trying to tell us that we must be the hands, as we've heard so eloquently here by so many

already today.

Well, thank you all. God bless you all.

Note: The President spoke at 9:20 a.m. in the International Ballroom at the Washington Hilton Hotel.

Message on the Observance of National Afro-American (Black) History Month, February 1987 *February 5, 1987*

This month marks the 61st celebration of National Black History Month, an event of importance to all Americans. The celebration takes on special meaning this year because of its theme, "The Afro-American and the Constitution: Colonial Times to the Present."

As Americans prepare to celebrate the Bicentennial of the Constitution, we have an opportunity to explore once again the richness of our founding document and the changes it has undergone throughout its two centuries of existence. The experience of Black Americans is a critical part of that history, holding enduring lessons for all of us about the true meaning of liberty. Black Americans fought in the Revolution which gave birth to this Nation, but it took the Civil War, several amendments to the Constitution, and a series of actions by the Supreme Court, the Congress, and the Executive to secure true equality of rights for Black Americans. The story of Black Americans is the story of their continuing struggle

to see fulfilled for themselves and for their children the promise and the dream of America. It is a story whose final chapters have not yet been written.

Without an understanding of America's past, we will not find the way to a future of opportunity for all. Black History Month affords every American the chance to study and to learn more about the contributions of Black Americans to our Nation's progress, from great figures like Dr. Martin Luther King, Jr., to the unsung, everyday heroes who helped build, lead, and defend a land that for so long asked more of them than it offered to them.

May this traditional observance lead all of us to work still harder for the day when no trace of prejudice or injustice remains to undercut the Constitutional rights accorded every American. To this goal, in February 1987, let us pledge anew our unswerving commitment.

RONALD REAGAN

Message on the Observance of Brotherhood/Sisterhood Week, February 15-21, 1987 *February 5, 1987*

This year marks the 53rd annual Brotherhood/Sisterhood Week, sponsored by the National Conference of Christians and Jews. I am pleased to note that the theme of 1987's celebration is: "This is my Constitution. I'm putting my name on the line."

The Constitution is the anchor of our Republic. Through it, we are all equal under the law, just as we are brothers and sisters in the sight of the Almighty. This bicenten-

nial year is a singularly appropriate time to reflect on its importance to each of us.

Although the Founding Fathers could scarcely have imagined the society we have become 200 years after they hammered out the Constitution, this magnificent document remains as relevant and timely as the day the final draft was signed. The principles it embodies are timeless: protection of the individual against the state, the separation of

powers among these different branches of the national government and a Federal system preserving the role of the States and, most important of all, the recognition that government derives its authority from the consent of the governed.

I call upon all Americans to join the National Conference of Christians and Jews in celebrating the vibrant, richly diverse socie-

ty the Constitution has made possible in America. As we observe Brotherhood/Sisterhood Week, let us all put our names on the line as our Founding Fathers did; and let us pledge to uphold the ideals that have kept us, in all our racial and religious variety, one nation under God.

RONALD REAGAN

Designation of Dennis R. Patrick as Chairman of the Federal Communications Commission

February 5, 1987

The President today announced his intention to designate Dennis R. Patrick to be Chairman, Federal Communications Commission, effective upon the departure of Mark S. Fowler.

Since December 1983 Mr. Patrick has been a member of the Federal Communications Commission. Previously, he was a special assistant to the Assistant Secretary of Commerce for Communications and Information, Department of Commerce, October

1983–December 1983; an Associate Director, Presidential personnel, the White House, January 1982–October 1983; and an attorney with the firm of Adams, Duque & Hazeltine in Los Angeles.

Mr. Patrick graduated from Occidental College (A.B., 1973) and the University of California at Los Angeles (J.D., 1976). He resides in Washington, DC, and was born June 1, 1951, in Los Angeles, CA.

Letter to the Nation's Governors on Welfare Reform

February 6, 1987

Dear Governor:

In my 1986 State of the Union Address, I charged my Domestic Policy Council to present me a strategy to meet the financial, educational, social, and safety concerns of poor families. I took that action because I did not know anyone in America who believed then, or believes now, that the current welfare system is working for families in need. The sad truth is that, despite our best intentions, the welfare system is failing; the system traps people in a cycle of dependency that robs them of dignity. We can and must do better.

Restructuring our welfare system must be a top national priority, but it is clear from 20 years' experience that no single policy mandated from Washington can solve this

problem. Our goal instead must be to establish a process that allows states and communities to implement their own anti-poverty ideas based on their own unique circumstances. The Federal government must retain its current level of financing, but individual states and communities can best find the solutions to welfare dependency that will work best among their citizens and in their neighborhoods.

Many governors have already broken new ground with creative and unique approaches. I applaud those efforts, and want to begin a process to encourage many more of these state and community-based reform efforts.

I invite you to join me at the White House on Monday, February 23, during the

National Governors' Association Winter Meeting in Washington, to share your recent experiences and ideas on reducing welfare dependency and poverty in your communities. Together we must persuade Congress to provide you the tools necessary to create a better life for Americans in need.

Enclosed for your review is a copy of "Up From Dependency," my Administration's report on the welfare system, and its companion volumes. The report describes the

crucial role you can play in our proposed national strategy. I hope you will review it in preparation for our discussion, and I look forward to seeing you later this month.

Sincerely,

RONALD REAGAN

Note: The letter was released by the Office of the Press Secretary on February 7. The original was not available for verification of the content of this letter.

Radio Address to the Nation on Welfare Reform February 7, 1987

My fellow Americans:

This week I wrote to the Nation's Governors asking them to come to the White House to discuss welfare reform when they visit Washington later this month. On Monday I'll be speaking to a group of concerned citizens about our welfare reform ideas. And later in the coming week, I'll be releasing the Domestic Policy Council's report, a study and series of proposals entitled "Up From Dependency." All these initiatives are based upon my conviction that welfare reform is not just important but vital—vital to our economic well-being; vital, indeed, to our self-respect as a nation. Permit me to take a few moments this afternoon to share with you why I believe this is so.

The sad truth is that our welfare system represents one long and sorry tale of disappointment. From the 1950's on, poverty in America was on the decline as economic growth led millions up toward prosperity. Then, as the Federal Government began to spend billions on welfare programs, poverty stopped shrinking and actually began to grow worse. For the first time in our nation's history, millions of Americans became virtual wards of the State, trapped in a cycle of welfare dependency that robs them of dignity and opportunity. With our economic success of the 1980's, the poverty rate has begun to shrink, but the problem of welfare dependency remains. No one

doubts that welfare programs were designed with the best of intentions, but neither can anyone doubt that they've failed—failed to boost people out of dependency.

In the fight against poverty, we now know it's essential to have strong families—families that teach children the skills and values they will need in the wider world. How many self-made men and women in America owe their success to the strength of character given to them by hard-working, loving parents? Yet when we ask whether our welfare system has encouraged family life, we must answer: far from it. Among the welfare poor today, families as we've always thought of them are often not being formed. Since 1960 the percentage of babies born to unmarried mothers has more than tripled. And too often the mothers themselves are only children—15, 16, 17 years old—who, with the birth of their babies, find all the responsibilities of grown-ups thrust upon them. As for the fathers, much of the time they're nowhere to be found.

We're also coming to understand that our welfare system weakens community values and self-esteem. As a lack of skills prevents our young people from obtaining the jobs and careers they want, their hope for themselves and their neighbors disappears. To reverse this terrible cycle of despair, we must build on the vitality and strength in our communities. We must work with our

young people as they strive to achieve the basic educational and work skills they need for a bright future. To do this, we must make dramatic changes in the old, unworkable government programs. With less than half of the billions now spent on welfare, we could give every poor man, woman, and child enough money to lift them above the poverty line. My friends, I believe we're too great a nation, too generous of heart, too bold in finding solutions, to permit this waste of lives and money to continue.

In seeking solutions, we should return to the basic values that helped build this nation: faith in families, faith in individual dignity and work, and faith in our Federal system of government. During my meetings and speeches this coming week, I'll be setting out our proposal for welfare strategies that tap that faith. Washington may have failed to find solutions to poverty and welfare dependency, but many of our 50 States and hundreds of community leaders are making progress, due in part to the new

leeway we've given them in the last 6 years. Now, they're ready with many more promising antipoverty ideas—if only our complex welfare system will allow them greater freedom to succeed. I will ask Congress to approve a process that gives them that freedom.

We know the solutions to welfare dependency must come from States and communities, and those of us here in Washington must have the courage to let them try. Our welfare system will continue to help those who can't help themselves. We have learned that we must provide the pathways and tools that allow our needy to escape dependency and create a better life. As I've said before, the only true measure of a welfare program's success is how many people it makes independent of welfare.

Until next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from the Oval Office at the White House.

Message to the Congress Transmitting the 1986 Annual Report of the United States Arms Control and Disarmament Agency *February 9, 1987*

To the Congress of the United States:

This 1986 United States Arms Control and Disarmament Agency Annual Report reviews all the government's 1986 arms control activities as well as ACDA's role in them. This relatively small agency plays a key role in the evolution and implementation of arms control policies that contribute importantly to our Nation's security. I know that you share my enthusiasm for ACDA, which celebrated its twenty-fifth anniversary in 1986.

You will find in the pages of the Report detailed material on the three rounds of Nuclear and Space Talks and on the talks that General Secretary Gorbachev and I had in Reykjavik, October 11–12. Details on

progress made at the Conference on Disarmament, the Conference on Security and Cooperation in Europe, and the Mutual and Balanced Force Reduction talks are also included. Our efforts to control the proliferation of nuclear weapons are discussed and the many details of arms control research are highlighted. This Report, as well as previous ACDA reports, contains a great deal of useful and informative historical material.

I am pleased to forward the Report to the Congress.

RONALD REAGAN

The White House,
February 9, 1987.

Remarks at a White House Briefing for Supporters of Welfare Reform

February 9, 1987

Thank you very much. Now, you really are here on the subject of welfare reform. [Laughter] Last Friday I came in here with a speech all prepared to talk to people on private initiatives and found out it was a surprise birthday party. [Laughter]

Well, I'm delighted that all of you could be here today. I'll be off my limited schedule fairly soon, but in the meanwhile it's good to be with so many friends. I'm grateful for the many expressions of concern, but I'm doing fine thanks to some wonderful doctors. They're so skillful; I'm thinking of having them work on the budget. [Laughter] But I am completely recovered. In fact, the doctors told me this morning my blood pressure is down so low that I can start reading the newspapers and watching the TV news. [Laughter]

I'm also glad to have you here because I know each of you has struggled mightily to change America. Yet, even with our anxiousness to get on with the conservative agenda, it's sometimes important to recall how far we have come together. I always think back to the sixties and seventies—and, well, even before then—when our concern about Federal spending and deficits fell on many a deaf ear here in Washington. And then when we started talking about tax cuts and tax limitation, as well as lower marginal rates, official Washington was more amused than anything else.

But today those ideas and concerns are the order of the day in the Nation's Capital. And the results have added up to nothing less than an economic and social revolution. The rate of spending increase came down by whopping percentages; tax rates and inflation declined; America created some 13 million more jobs; family income started to rise; and the poverty rate declined for 2 straight years. And when I compare where we were only a few years ago with what some of our critics are saying about these accomplishments, I have to tell you that some of them remind me of an agent I heard about in my old career. It was back

in those vaudeville days. People trying out for vaudeville would come in, empty theater, out on the stage, down there in front would be sitting a very cynical agent with a cigar, usually in his mouth, and he'd say okay, and they'd do their stuff. Well, this particular day a young fellow came out center stage, out came the cigar. He says, "Okay, what do you do, kid?" And the young fellow took off and flew around the ceiling of the theater up over the balconies and everything—[laughter]—came down to a perfect landing. And the agent said: "Well, all right. What else do you do besides bird imitations." [Laughter]

Well, whatever our critics say, I think all of us can be confident that the American people realize—just as I think someday historians will acknowledge—that moving back to concepts like limited government and the free market, as well as respect for the entrepreneur, created one of the most important social and economic revolutions in our history. Not only did we grow and prosper economically but we renewed our political and social life as well. Government's inability to do anything about the burden that inflation and taxes were putting on our citizens was weakening public faith in our democratic institutions, a trend that today we have reversed.

Or consider the social damage we were doing to the most basic unit of society, that engine of social progress—the family. For years inflation and taxes robbed the family of more and more of its livelihood—an economic factor, of course, but as I say, a moral factor, too. For government said to young couples: We will tax you at higher rates for getting married. And in the years ahead, we will turn the screw of bracket creep even tighter, and then we'll let inflation rob your savings and erode your personal exemption—in effect, imposing a higher and higher tax on your children. Well, is it any wonder then that in this period more and more of our young people postponed marriage or didn't marry at all, and postponed

having children? But by bringing down tax rates, inflation, and interest rates, by ending bracket creep, we've made family life safer and more secure. And we can be proud today that the downward trend of marriage, family formation, and childbearing appears to be arrested. The simple fact is government had taken a stand against families. But thanks to your help and support, we're turning that around; we're putting government back on the side of families.

There's been another important dimension to our economic recovery. We're helping the poor as never before. There is, for example, no crueler burden on the poverty-stricken and the elderly than inflation. And by bringing inflation to a virtual standstill, we substantially increased the buying power of the poor families of America. So, too, our recent reform of the tax code will take millions of working poor people off the tax rolls entirely. Above all, we've built an economy that is creating millions of new jobs every year, providing growth and opportunity the poor need more than anyone. And that's why more than one-half million people moved off the poverty rolls in 1985. This economic recovery and social and political renewal have made it possible to focus on some of our deeply ingrained problems, like doing something about poverty. And it's here, I think, that we conservatives have an unrivaled opportunity in the years ahead, a cause that I believe we can make our own.

You know, America's welfare system has been a longstanding concern with us. But too frequently that concern has been interpreted as merely a desire to prevent waste or fraud or stop welfare abuse. Well now, don't get me wrong—those are worthy and important objectives. Protecting the taxpayers' investment in Federal spending is a worthy objective—especially since we want our Federal welfare spending to go to the people who really need it, the poor themselves, and not to people who already live comfortably. And all the economic progress that we've made, for example, has relied on trying to control Federal spending. When we took office, huge Federal programs with built-in yearly spending increases were just reaching maturation.

So, first we had to take steps to slow

down the Federal spending juggernaut. We cut the rate of spending increase. And then, finally, this year we're managing to get the Federal Government to actually spend less in real terms than it spent the year before. Talk about the Earth shaking!

But none of this would have been possible without the war on waste we began from our first day in office. Working with the Congress, we completely revitalized the Inspector General's program and saved the taxpayers untold billions. Last year, for instance, the Inspector General at Health and Human Services launched over 3,000 audits and investigations of fraud against the Government that resulted in 1,000 convictions. The office's fraud and management recommendations will recoup more than \$5.3 billion when fully implemented. So, the war on waste and fraud has been an important part of our ability to bring down spending and ultimately to improve economic conditions for the poor. But I just think that waste and fraud isn't all we conservatives have to offer on the poverty problem—not by a long shot.

Back in 1982, in a speech to a black political organization, I raised some of the questions discussed by the scholarly work of Charles Murray in the "Public Interest." At the time this wasn't exactly fashionable, but since then things have been changing. Slowly a new bipartisan consensus on America's welfare system has developed—a consensus that holds what only a few could say a short time ago: that it is our welfare system that is one of the most serious obstacles to progress for the poor. The evidence is in, and the history is clear: Twenty years ago, with the best of intentions, the Federal Government began a program that it hoped would wipe out poverty in America. Today the Federal Government and State governments, with 8 major welfare programs and more than 50 smaller ones, spends more than \$130 billion to pursue this objective. And now, with less than half of this money, we could give every poor man, woman, and child enough to lift them above the poverty line. But believe me, it isn't just the arithmetic that doesn't make sense. During the past few years, we've seen serious questions raised—in scholarly works like Mr. Murray's

book "Losing Ground," which showed poverty actually went up as the Federal Government spent more to eliminate it, to major network television specials featuring grim personal testimonials about the Federal welfare system. And the issue here is really compassion.

How compassionate is a welfare system that discourages families that are economically self-reliant, that takes 6,000 pages of Federal regulations to explain, and is so complex it confuses and demoralizes the poor? How compassionate is a system that robs the poor of the tools to break the cycle of dependency? Well, the emerging consensus on welfare is finally agreeing with us that the Federal welfare system has become a poverty trap, a trap that is wreaking havoc on the very support system the poor need most to lift themselves up and out of destitution—the family. This growing bipartisan consensus holds that our current welfare system is not only a failure but counterproductive—the institutionalization of ghetto life where, as Bill Moyers put it in his special on this subject last year: "Mothers are children, fathers don't count, and the street is the strongest school."

And I just think conservatives should have a special interest in this because, as I've mentioned, our original skepticism about the welfare system has been sadly borne out by recent research. But second, strengthening the family has been among our highest priorities and, believe me, no one needs that strength and help today more than America's poor.

Let me pause here and cite as an example one disturbing problem we hear so much about: the homeless. Here in Washington there's a young Capuchin Franciscan priest named Father Jack Pfannenstiel who not only runs shelters for the homeless but has started a project called McKenna House, a kind of halfway house where the homeless are not just warehoused but given special counseling and training so that they might return to productive jobs and normal lives. And while the problems of the homeless are complex and deepgoing, when Father Pfannenstiel is pressed on the issue, he always remarks that at the root of these problems is a history of family breakdown and difficulty. So, I just think the time is

ripe for realizing our traditional concern with strengthening the family is directly related to this emerging national consensus on the welfare issue. I think conservatives and Republicans can now join with liberals and Democrats in reappraising that entire system and examining the reason for its failure. There is common ground. We all know it isn't working. We know there will be no easy answer—it's the belief that there were easy answers that got us into the situation in the first place.

We have to fight the impulse of many to believe that one policy change or reform, written and implemented here in Washington, can solve the problem of poverty and welfare dependency. We know from 20 years painful experience that it cannot. In seeking solutions we, as a nation, need to draw upon the practical genius of the thousands of community leaders and individuals who deal with that problem every day. The Federal Government should retain its current financing role, but it cannot provide all the answers. We need to reevaluate our entire antipoverty strategy—a reevaluation that will provide us with new approaches and initiatives, initiatives that will have as their goal the defense and strengthening of the family as the key to a strategic assault on poverty. And that's why last year I asked for a study of our welfare system. The recommendations of that study, "Up From Dependency," are now being implemented. It's also why on Wednesday of this week I will have a chance both to hear about and describe some of the approaches we hope to take in getting what is essentially a research and development program off the ground. So, too, in my radio talk on Saturday I mentioned that we had written to the Governors of the 50 States and asked them here to the White House to be a part of this nationwide commitment to welfare reform.

And today I just want to seek your active support, to ask you to join together with many millions of other Americans in this critical domestic initiative. We know the answers are out there—in our 50 States, in our cities and neighborhoods, and in the minds and hearts of the thousands of self-help leaders who are ready with hundreds of antipoverty ideas—if only our complex wel-

fare system will allow them greater freedom to succeed. They can show us how to make work more rewarding than welfare; how to provide incentives for dignity, instead of incentives for dependency. And I'm certain that we can, as a nation, move forward and together on this issue. I've said a great many times, instead of citing at the end of each year how many people were being maintained on welfare—if the program was really correct, every year they would be saying how many people we had been able to remove from welfare and restore to a position of independence. Now, all of us care about the poor, all of us want to see the tragedy that is poverty ended. So, let's get to work. Now, I realize there's going to be some crabbing, and there's going to be some of the same kind of press that, well, I've been getting kind of used to in the last few weeks.

You know, I can't resist telling you another story. Sometimes, I tell you, I feel a little bit here like the man who was the farmer that was driving his horse and wagon to town for a load of grain and had a head-on collision with an automobile. He was lying there seriously injured, even some of them were permanent disabilities. And later followed the usual legal procedures with the insurance company and all, and he was on the stand and a lawyer said to him, "While you were lying there at the scene of the accident, didn't someone come up to you and ask you how you were feeling? And

didn't you answer that you never felt better in your life?" "Well," he said, "Yes—yes, I guess, I remember that happening." Well, later, on redirect, another lawyer was asking the question, and he said, "What were the circumstances when you gave that answer as to how you felt?" "Well," he said, "I was lying there, and," he said, "a car came up and a deputy sheriff got out." He said: "My horse was neighing with pain and kicking—had two broken legs. The deputy sheriff put the gun in his ear and put the horse out of his misery." He said: "My dog had a broken back and was whining with pain, and he went over—did the same thing—[laughter]—put it there and shot him—[laughter]—and then he came over to me and said, 'Now, how are you feeling?'" [Laughter]

So, even though there may be some misguided criticism of what we're trying to do, I think we're on the wrong [right] path. And you know something else? From dealing as a Governor closer at hand with welfare, and those people, I think truly that the bulk of the people on welfare aren't just lazy bums or cheaters—they want nothing more than to be independent, free of the social workers, and out on their own once again. So, we can help them do that.

Thank you all, and God bless you.

Note: The President spoke at 11:30 a.m. in Room 450 of the Old Executive Office Building.

Remarks on Greeting the Crew of *Stars & Stripes*, the America's Cup Winner

February 9, 1987

The President. Well, *Stars & Stripes* skipper Dennis Conner, members of the crew, and ladies and gentlemen, today the Cup that went down under has come back up. It's only appropriate to be greeting the skipper and crew of the *Stars & Stripes* here in front of the Stars and Stripes.

And by the way, you might be interested to know that Prime Minister Hawke of Australia and I had a little bet on the side.

[Laughter] If *Kookaburra III* had won, I was going to give the Prime Minister one of those cowboy-type hats that I wear now and then out at the ranch. And if you all won, well—oh, there it is! [Laughter] It'll be revealed. There it is. That's the Australian version. And you know, it's the funniest thing—I just know that whenever I put that on I'm going to find myself turning to Nancy and saying, "G'bye, mate." [Laugh-

ter]

But there are so many people who helped to make this victory possible. Altogether, the United States was represented by six syndicates in Australia. Each had its own yachts, and each involved literally hundreds of people, bringing the best of American technology to bear on the complicated challenges of 12-meter racing. In designing *Stars & Stripes* herself, engineers used computer techniques to provide the yacht with a winged keel and a special rounded nose. Plastics experts gave the hull a coating that sheeted the yacht with thousands of tiny V-shaped grooves called riblets. Sailmakers used a mixture of Kelvar, Mylar, and an entirely new fabric, Spectra, to produce hundreds of sails suited to every conceivable weather condition. And *Stars & Stripes* was fitted with an on-board computer to monitor her performance and communicate before the race with computers on shore and in her tender. I just have to believe it says something about the competitiveness of American technology that this time around the United States entered perhaps the best designed, most technologically advanced, 12-meter yacht ever christened.

But no matter how sleek the yacht, it still all comes down to what the skipper and crew do with her on the open ocean. To the skipper, the navigator, tactician, main-sail trimmer, pitman, bowman, sewerman, grinders, and trimmers of *Stars & Stripes*: Congratulations! You performed up to the highest standards in conditions that were arduous and exhausting, and you made considerable sacrifices to do so.

And now, if you'll permit me, a word to the skipper himself, Dennis Conner. Dennis, in 1983 you sailed against the Australian challenger in what was universally acknowledged to be a slower boat. But your skills as a sailor were such that you forced the challengers to go all seven races before *Australia II* finally took the America's Cup. In the races off Fremantle, you showed your skill all over again. During the challenger final race against *New Zealand, Stars & Stripes* blew a jib. To many skippers, it would have been cause for panic, but you only said, "Hey, that's too bad."

Mr. Conner. That's not all I said. [Laughter]

The President. All that you said that was printable was, "Hey, that's too bad." [Laughter] But then, while your crew scrambled to replace the bad sail, you calmly tacked to keep your opponent from gaining the wind. And in 3 minutes and 2 seconds both the new jib and jig were up, and *Stars & Stripes* won the race.

In the finals themselves—well, there's no better way to describe your performance than to quote the skipper you defeated, Australian Ian Murray. At the suggestion that *Stars & Stripes* had simply had better luck, skipper Murray answered: "I'm not a great believer in luck in sailing. The wind Dennis left us was pretty much zilch. He won because he was always in the right spot."

Beyond your skill, Dennis, there's the matter of your commitment, the matter, to put it simply, of heart. One of your crewmen caught a glimpse of just how much it all meant to you. In his words: "Before the last tack Dennis said, 'Okay, guys, this is the last tack in the 1987 America's Cup.' I turned around and looked back, and he was crying. He had tears in his eyes." And the crewman went on to explain: "You have to remember that this hasn't been any gravy walk for Dennis. He's a regular American guy, a smart guy who worked his way up from the bottom and deserves the credit for what he's done." Well, Dennis, today we congratulate you, and today we give you that credit.

Mr. Conner. Thank you.

The President. And a word now to your Australian hosts and competitors. Ambassador and Mrs. Dalrymple, of course, millions of Australians must be disappointed by the outcome of these races, just as so many Americans felt the 1983 loss so keenly. But I want you to know that I've heard again and again, from Dennis and others, that the Australian people could not have been more open, friendly, or sportsmanlike. On behalf of the thousands of Americans who visited Australia for these races, I want to thank Prime Minister Hawke, the Perth Yacht Club, and the Australian people themselves.

I can't help thinking that the America's Cup has brought our two nations, already

close, still closer. For in following these races, we were all able to share something ancient and deep within us: man's fascination with wind and water. Listen, if you will, to the words of sportswriter Tony Chamberlain: "In sailing there is a term called 'lift' which is both technical and poetic at once. It describes the moment of acceleration in a sailboat—the moment when the sails harden against the wind and the boat begins to slide forward, faster and faster, until you can suddenly feel what William Buckley meant by the title of his sailing book, "Airborne." How something moving so slowly—about the pace of a moderate jog—can impart such exhilaration in this moment is probably unanswerable. Hang gliding, dropping in a parachute, doing barrel rolls in a light airplane—the thrills are easy to understand. But the moment of lift in a sailboat is just as much a leap off the Earth. Airborne." Well, gentlemen of the *Stars & Stripes*, for a few days you enabled us all to become airborne, and we thank you.

Mr. Conner. Thank you, Mr. President. As you might remember, I got a phone call from you back in 1983, and Tom answered the phone, I think. And he said, "The President's on the phone, and he wants to tell you that you fouled up." [Laughter] That's the printed version, anyway. [Laughter] Well, you might remember that I made you a personal promise at that time to do everything I could to bring the Cup back home to America, where it belongs. So, here it is.

This is not only a victory for the great crew and team of *Stars & Stripes*; it's a victory for American technology, a victory for the American will to compete anywhere in the world, and I might say, and be able to win. It's really a victory for the American spirit, of which you've done such a tremendous job to be our leader. And I can't tell you how much it means to the entire team and support crew of *Stars & Stripes* to be part of this tremendous victory in bringing the Cup back home, where it belongs. And I'd just like to say thank you all for the tremendous reception that we got. We had no idea what it would be like when we got

home. We were 12,000 miles away, and we were just concentrating on winning the Cup. And it just meant so much for us to come back and have this tremendous reception. And we just can't tell you how great it is to be back home in America. It really means a lot to see all of our friends and supporters to be with us in this tremendous victory.

So, at this time—I'm trying to remember all my lines—Bob Hawke made sure that he sent me a little message to go along with your Cup here. And I'll find it in just a second. [Laughter] Don't worry now. It says, "My Dear Ron: Enjoy the hat. You can keep it." Well, that's nice of him, there. "Take pleasure in the Cup, but remember it's only a temporary possession and we'll be back to get it in 1990. Congratulations and best wishes, Bob Hawke, Prime Minister." So, congratulations!

And I'd just like to take a moment and add to the President's comments about what tremendous people the Australians were. In defeat, they couldn't have been more gracious, and they just were wonderful sportsmanship. And any of you that have the chance to visit Australia will find out for yourself, but I'm sure anyone you talk to on the *Stars & Stripes* group will tell you and reaffirm what tremendous people they were in Western Australia. And they were really part of the whole Cup. So, my congratulations to the people of Australia. As a remembrance, Mr. President, from the crew of *Stars & Stripes*, we'd like to have you display this wherever you choose and remember us here in our victory—a half-model of our boat. It's the first one we've seen, and we'd like to have you have this as a part of our victory.

The President. Thank you very much.

Mr. Conner. So, if you'd help me hoist this Cup, I'm sure everyone would like to take your picture here. [Laughter] Thanks for having us. It really means a lot to us. Thank you very much.

Note: The President spoke at 1:39 p.m. in the East Room at the White House.

Proclamation 5607—Congratulating *Stars and Stripes* on Its Victory in the America's Cup February 9, 1987

*By the President of the United States
of America*

A Proclamation

All Americans congratulate Dennis Conner and the crew of *Stars and Stripes* for their splendid victory in the America's Cup.

The *Stars and Stripes* team, representing the San Diego Yacht Club, traveled to the west coast of Australia to compete with the best yachts and best yachtsmen in the world. In a lengthy series of exhausting and exciting races, it successfully defeated eleven challengers for the right to face New Zealand in the finals of the challenger's division. Although the *Kiwi* had compiled a most impressive record in earlier races, *Stars and Stripes* defeated the New Zealand boat 4 to 1 to earn the right to sail for the Cup against the Australian defender.

In the final series, *Stars and Stripes* defeated *Kookaburra III* 4 to 0 to capture the America's Cup and bring the trophy back to the United States. Throughout the competition, the Australian team and the Australian people demonstrated to the world their sportsmanship and their unsurpassed hospitality.

The skill and determination of the *Stars and Stripes* team captured the imagination

of the American people. They demonstrated the traits that have long characterized this country at its best—optimism, dedication, teamwork, and an eagerness to master the most advanced technology and put it to good use.

In honor of the *Stars and Stripes*' victory in the America's Cup, the Congress, by House Joint Resolution 131, has authorized and requested the President to issue a proclamation expressing to Dennis Conner and the crew the thanks and admiration of our Nation.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim to Dennis Conner and the crew of *Stars and Stripes* the heartfelt congratulations and appreciation of our Nation for a job well done and for filling our sails with confidence and pride.

In Witness Whereof, I have hereunto set my hand this ninth day of February, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 2:27 p.m., February 10, 1987]

Message to the Senate Transmitting an Annex to the Convention for the Prevention of Pollution From Ships February 9, 1987

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate, Annex V, Regulations for the Prevention of Pollution by Garbage from Ships, an Optional Annex to the 1978 Protocol Relating to the International Convention for the Prevention of Pollution from Ships, 1973, (MARPOL 73/78). I also transmit for the information of the Senate

the report of the Department of State on this Annex.

The MARPOL Protocol entered into force for the United States on October 2, 1983. Annex V and the other two Optional Annexes III and IV, which deal with pollution from packaged harmful substances and sewage, were transmitted only for the information of the Senate when the original

MARPOL Convention was transmitted to the Senate on March 22, 1977, for its advice and consent to ratification.

Annex V prohibits (subject to limited exceptions) the disposal from ships into the sea of all plastics, including but not limited to synthetic ropes, synthetic fishing nets, and plastic garbage bags. It also restricts the discharge at sea of other types of garbage to specified distances from the nearest land.

The entry into force of Annex V of

MARPOL 73/78 will be an important step in controlling and preventing pollution from discharges of ship generated garbage. I recommend that the Senate give early consideration to Optional Annex V of MARPOL 73/78 and give its advice and consent to ratification.

RONALD REAGAN

The White House,
February 9, 1987.

Remarks to the Annual Leadership Conference of the American Legion

February 10, 1987

I hope you're enjoying your visit to the Nation's Capital, and I appreciate the opportunity to speak with you. Over these last 6 years I've depended heavily on the American Legion. James Dean, Evelyn Starr, and Dale Renaud—they've all been indispensable in the fight for a strong and secure America. I'd just like to express to you and to legionnaires around the country my deepest appreciation for being there when it counted. It's been an honor to serve with you.

Sometimes I think they ought to issue a campaign ribbon for the "Battle of the Potomac." [*Laughter*] Now, I'd be tempted, of course, to start thinking up a war story or something here to tell you, but I have a hunch there's been a lot of that going on. [*Laughter*] So, I suddenly thought, I can tell one that's before the war.

Back in the thirties, when there was a citizen military training program, and then every summer they'd have a couple of weeks of camp and a military maneuver or war game, and usually some brass from Washington would be invited to come out and lend prestige to it. And I was getting a commission in the Cavalry Reserve at Fort Des Moines at that time. Over at Fort Omaha was the summer affair and the battle and all, and we had horse cavalry then. And the commanding officer at Fort Omaha and the visiting general from Washington were standing there and someone

sent a young reserve lieutenant, horse-mounted, over with a message. And he went over with a splash. He came in there full speed, pulled up the horse. The horse must have had a sore mouth because he put on the brakes on all four feet, and he summersaulted right over the head of the horse—[*laughter*]—landed on his feet holding the reins, and was facing the two generals. [*Laughter*] So, he snapped to salute, and the general from Washington very slowly and deliberately, as he returned the salute, said to the commanding officer: "Does he always dismount like that?" [*Laughter*]

Well, seriously though, the Legion continues to play a vital role in this democratic system of ours. Six years ago we set out to make up for some of the foreign policy and national security shortcomings of the last decade. We shouldn't permit the memory of American weakness, and the consequences of that weakness, to fade. During the 1970's the defense budget shrank in real terms as we held back from building new weapons systems. Our Navy lost more ships than it did at Pearl Harbor. New equipment was scarce. Spare parts were in short supply, and inflation ravaged the value of our military personnel's take-home pay.

Was a weaker America a safer America? Well, during the latter half of the decade, our alliances were strained almost to the breaking point. Soviet expansion was evi-

dent throughout the world—in Southeast Asia, in Africa, and, yes, in Central America. The Soviets rushed forward to expand their naval and other conventional capabilities and to put on line a host of new missiles and other strategic systems. In fact, since 1970 the Soviets have invested \$500 billion more than the United States in defense and built nearly three times as many strategic missiles. With that record in mind, it's a bit difficult to take seriously those who suggest that we hold back now on the modernization of our forces, strategic or conventional, in order to elicit a positive response from our adversaries. Well, Teddy Roosevelt reminded us long ago that the cry of the weakling counts for little in the move toward peace, but the call of a just man armed is potent. Well, to put Teddy in modern terms: Speak softly, but keep the battleship *Iowa* close at hand. *[Laughter]*

Since 1980 we've reactivated 4 battleships, purchased 124 new naval vessels, including 2 new carriers and 21 top-of-the-line Aegis class cruisers and destroyers. The Army has 2 new divisions. We've bought over 2,500 tactical fighters, and we've made certain there are ample spare parts, not just for the planes but for all the weapons and equipment. One of our top priorities was to restore morale to those brave and dedicated citizens serving in our Armed Forces and to attract top-quality individuals to the job of protecting our country. Well, there's nothing that's made me prouder in these last 6 years than those young people—smart, fresh-faced, and full of life. They've answered the call. And today we have the best bunch of young people in our Armed Forces that we've ever had—the highest percentage of high school graduates in our history, the highest percentage in the top intelligence bracket when they're being tested for various branches of the service or duties within the service. I know you agree with me that those kids will never let us down, so we better darn well see to it that this government, no matter what party is in power, never lets them down.

I've gotten some letters sometimes that they turn me inside out. A kid writes—he's in a submarine—he writes, and he says: We may not have the biggest navy, we got the best. And you hear things like that. I was

over on the parallel in Korea, the demilitarized zone over there. And a young fellow standing up there in the cold and looking out over the no-man's-land to the other side and he just turned to me, and he said, "When you get home," he said, "tell them we're on the frontier of freedom." And it happens everyplace. So often those who oppose defense spending don't think about it in human terms. Those youngsters out on the aircraft carriers and the submarines and destroyers, our Army and Air Force personnel in Korea and Germany, the Marines in Okinawa and with the Sixth Fleet in the Mediterranean—they depend on us every bit as much as we depend on them. We made a promise that they'd have the first-class equipment and weapons they need to do their job and come home safely. And the budget is not going to be balanced at the expense of their safety and America's security.

You know, back there in that '80 campaign, I campaigned an awful lot—not on making speeches like this, but on doing question and answer, even in crowds that would number in the thousands. And invariably, then, I would get a question that would be: Well, all right, but if it comes to a choice of balancing the budget or rebuilding our defenses, which will come first? And every time, I said I have no choice. Rebuilding our defenses would come first. And every time I said it to an American audience, they did what you are just doing. *[Applause]* They applauded. Well, fulfilling that promise in this time of budget restraint means making certain that the maximum benefit is squeezed out of every dollar spent on defense.

To accomplish this, we've put in motion one of the most aggressive campaigns against waste and fraud in the history of the Defense Department, aggressively following up on every lead. Many stories early in the administration—and, oh how they curdled my blood—about procurement waste. You know, those outrageously expensive bolts and wrenches and such were actually not stories of faults that were still existing. They were actually stories of our successful efforts to make corrections. We were the ones who found out those \$400 hammers and so

forth and got them corrected. But somehow it never seemed to read that way. [*Laughter*] Well, we've continued this commitment. The Defense Department, for example, is doing even more to ensure that competitive bidding is brought into the procurement process. And this year we're, for the first time, submitting a 2-year defense budget. This will, we hope, replace the old, year-by-year, up-and-down approach, which has proven both wasteful and inefficient. We're also moving forward on changes mandated in last year's Goldwater-Nichols bill and reforms recommended by the Packard commission. In short, defense management has been and continues to go through a dramatic period of revitalization.

We take this job seriously because we know the truth of some other words that Teddy Roosevelt spoke. He said: "If we're to be a really great people, we must strive in good faith to play a great part in the world. We cannot avoid meeting great issues." Well, this, of course, is even more true of us today. And while such a burden is never easy or cheap, there are many reasons for optimism as we look ahead. A decade ago freedom was in retreat. And now with America's military strength rebuilt, our national confidence restored, and our alliances reinvigorated, there has been a dramatic turn in world affairs. It's significant that during these last 6 years not 1 square inch of territory has been lost to communism. And one small country, Grenada, has been restored to the family of free nations. After that episode there, I made a trip down there to meet with all the Caribbean island nations' heads of state. I tell you, after all those things we've heard about signs and "Yankee, go home," it was wonderful to be in Grenada, going down the streets and seeing the welcome signs and a great big banner across the street: "Come back." And then when I met—it was with almost half the population of the entire country, gathered at a great outdoor rally. And you knew we'd done well there. They like us. So, if you're looking for someplace to go on a vacation, why, I could recommend it. [*Laughter*]

Today, clearly, history is on the side of the free. In our own hemisphere we've witnessed an historic expansion of democracy.

Ninety percent of the people of the Americas now live in democratic countries or countries in transition to democracy. And throughout the Third World, the failure of socialism is becoming increasingly evident. Cuba's tyrant has taken to haranguing people for failures that are inherent in the system he's imposed on them. In Ethiopia, it's becoming even more apparent that it is Marxism more than drought that brought such misery and the starvation to a once proud people. The despotism and atheism of communism have even spurred resistance movements that are threatening Soviet colonial regimes in Afghanistan, Angola, Cambodia, and Nicaragua. It's both in our national interest and consistent with our traditions as a free people to assist these brave souls who are struggling for their freedom and national independence. That's especially true when it comes to those fighting Soviet-backed tyranny in Central America. We must not and will not abandon them. If you hear anyone anymore talking about the danger of Nicaragua becoming a Communist totalitarian state, correct them—it is a Communist totalitarian state. And we're helping the people that are trying to change that.

General Douglas MacArthur, a leader I deeply respected, is said to have written that no man is entitled to the blessings of freedom unless he be vigilant in its preservation and vigorous in its defense. Well, it's all up to us now. We are the heirs of MacArthur, Pershing, Jefferson, and Washington—and of those Americans who put their lives on the line from Bunker Hill to Belleau Wood, from Normandy to Khe Sanh. We will be vigilant in the preservation of freedom and vigorous in its defense because we will not let down those who came before us or those who will follow.

I thank you and your fellow legionnaires for all you're doing to meet this sacred responsibility. And for the ladies present—having referred to that rough and ready Teddy Roosevelt a couple of times—I think you ought to know that in that era, there was no West Wing to the White House and East Wing. All the offices and the Cabinet meetings and everything else took place there in the Residence. And then one day

Mrs. Roosevelt proved to be a match. She said to the President of the United States, "If I'm going to raise six kids in this house, you're going to get your people out of here." [Laughter] And they did.

Well, God bless you all, and God bless America. Thank you.

Note: The President spoke at 1:32 p.m. in Room 450 of the Old Executive Office Building. In his opening remarks, the President referred to James Dean, national commander of the American Legion; Evelyn Starr, president of the American Legion Auxiliary; and Dale Renaud, past national commander of the American Legion.

Statement by Assistant to the President for Press Relations Fitzwater on the Iran Arms and *Contra* Aid Controversy February 10, 1987

On February 4, 1987, John Tower, Chairman of the President's Special Review Board, requested that the President, acting as Commander in Chief, order Adm. John Poindexter and Lt. Col. Oliver North to appear before the Board. In a letter dated February 6, Counsel to the President Peter Wallison advised the Board that such an order would be unlawful, because it would in effect be ordering Admiral Poindexter and Colonel North to testify against themselves. The Counsel noted that North and Poindexter have a constitutional protection against self-incrimination, as well as a similar guarantee under article 31 of the Uniform Code of Military Justice.

In giving this response, the White House

Counsel relied upon a written opinion from the General Counsel of the Department of Defense, who confirmed earlier oral advice on this matter when similar issues were raised in December. Mr. Wallison also pointed out that the President has made clear his desire that both Poindexter and North cooperate fully with all ongoing inquiries, consistent with their rights. In December the President proposed a procedure for obtaining their testimony without violating their rights against self-incrimination. He asked that the Senate Select Committee on Intelligence grant limited use immunity to Poindexter and North so that the facts would be known without precluding prosecution based on other evidence.

Remarks and a Panel Discussion With Community Leaders on Welfare Reform February 11, 1987

The President. Well, I want to thank all of you for coming here today. Usually when I come to this room it's to speak to a visiting group, but today I think I'm here mostly to listen. And I know that what I'm about to hear will change the way America looks at poverty and welfare. This month we're sending up to the Congress our welfare reform package. And this package was shaped in many ways by you in this room, including the five who are up here with

me. You know, when I think of the welfare system, it reminds me of a story. And I know some here have heard me tell this before, and maybe everybody knows it, but pretend that you haven't heard it because I like to tell this story. [Laughter]

It's the story about the parents with the two children, two sons. And one of them was a dyed-in-the-wool pessimist, and the other one was an incurable optimist. And they thought they were both so unrealistic

that they talked to a psychiatrist about it. And he said he thought he could solve the problem. And they said, "Well, what?" "Well," he said, "let's get the most magnificent set of toys any boy ever had, and we'll put them in a room. We'll take the pessimist there, and then we'll turn him loose. And when he sees those toys and knows they are all for him, he'll get over being a pessimist." And they said, "What are you going to do about the optimist?" "Well," he said, "I have a friend who's got a racing stable and," he said, "we can get quite a quantity of what they clean out of the stable. And we'll put that in another room, and when the optimist has seen his brother get those toys and that he gets that, he'll get over being an optimist." [Laughter] Well, they did it. And finally, after a period, they then went in and followed in where the boy was with the toys. And he was sitting there crying, and they said, "What are you crying about?" And he said, "Well, I know somebody's going to come and take these away from me." [Laughter] And they went down to the room with the optimist. And he was on top of that pile of stuff, and he was throwing it over his shoulder as fast as he could. And they said, "What are you doing?" He says, "There's got to be a pony in here somewhere." [Laughter] Well, today we're going to hear from some of those who've found the pony.

As you know—but maybe those from the press don't—in the past year we've been going around the country asking the experts about how the welfare system works and doesn't work. Now, asking experts is not a new thing in the area of welfare reform. Time and again over the years, government has inquired of professors and welfare professionals why people are poor and why they stay poor. And, forgive me for saying this, but the result has been a welfare system that's very good at keeping people poor.

But when we began to look at welfare reform, we changed the experts and we changed the questions. For the last year our experts have been people who know welfare firsthand, who've actually been on welfare, particularly who've gotten on and gotten off. And we've talked to hundreds of these people. We've talked to hundreds

more who've set up self-help groups in their communities—self-help groups that really worked and that really helped neighborhood people become self-sufficient. And these have been our experts. And our questions have been: How'd you do it? How did you get off welfare? How did you become self-sufficient? How did you set up a group to help yourselves and your neighbors?

Now, I've been told that this has been the first time in the history of the welfare system that government has asked not how people fail—that's how they get on welfare and stay on—but how they succeed. And that is, how they get off welfare?

And I'm told it's the first time ever that government has gone, as we have, not to the people who can give you a theory about getting people off of welfare, but to the people who've done it themselves, in practice, or helped others do it. Success, not failure; practice, and not theory. And that's what has shaped our welfare reform proposal, and that's what we've come to hear about today. So, now let me turn this meeting over to the experts.

Mr. Hobbs. Mr. President, first this morning, we're going to hear from Sister Monica Thomann, from East Liverpool, Ohio. Sister Monica is the second-most senior member of this panel, Mr. President. [Laughter] And she spent 42 years teaching at elementary and secondary levels and then went into the self-help business to try to help senior citizens to get the services they need and has found since then that that's developed into a very healthy project. So, Sister Monica.

Sister Monica. Thank you. Mr. President, Ceramic City Senior Center is in East Liverpool, Ohio, of the tristate area of Pennsylvania, West Virginia. We're across the bridge from West Virginia and 5 minutes from Pennsylvania. We are really an unnamed Appalachia area. We have no business, large business, or industry in the area. Forty—well, I would say, 30 percent of the people are unemployed. There are 15,000 residents in East Liverpool—4,000, according to the 1980 census, are senior citizens over the age of 60. And a study of EDATA done in 1984 showed 46 percent of them below poverty level.

Well, these senior citizens needed help. They needed to feel dignified in their existence. So, our senior center was established in 1979 with Federal dollars to renovate and purchase this property. Now we provide services in that 3,200 square-foot building to 1,700 seniors. These services help them stay in their own environment. And that is something that needs to be done. It also provides them with knowledge of their own talents and skills so that they can not only help themselves but that they will then help others.

Soldiers and sailors on relief have come to our assistance. General relief workers will spend their time with us and give us the help that we need. We have used the title 5 senior aid program out of the Department of Labor. And those four people spending 20 hours a week provide the leadership that is needed to help our 387 volunteers provide these services to the other people of the community. Of course, when you receive government funds then there are a number of records that have to be kept. And so, we have to have these people trained in the keeping of the records. We are proud of our 387 volunteers. They help us provide friendly visiting services, telephone reassurance services, health assessment services, so that the seniors can have almost an entire physical and being prevented from having diseases that would debilitate them. We have socialization, of course, that keeps the seniors knowing each other, feeling comfortable with each other, and also getting out of their homes, so that they will then be able to help other people.

We provide some chore services—laundry for about 30 shut-ins each week—and our volunteers do that work. We have a kitchen that provides, I'd say, anywhere from 25 to 150 meals daily, twice a week. With the jobs bill food that was given out at one time, we established an emergency feeding site for the unemployed. And, at times, we feed 300 of them. And the senior volunteers help prepare and serve those meals.

We received two vehicles from the 16-B2 program, using the UMTA funds. And that provides transportation for about 420 seniors, using the drivers and the volunteer escorts to take these seniors about 28,000 miles a year to nutrition, socialization

events, cultural places, medical appointments, and personal shopping. I feel, then, that our senior volunteers, many of them on the RSVP program, have not only become valuable assets to the community, but they have made other people, of their own peers, feel important. Yet without the Federal dollars giving us that base of operation, there is no way that we could have done this—making these people feel the need to continue living.

We have established a co-op, because we don't just want handouts, but we want to help these people help themselves. This co-op, then, helps to extend their funds and provide nourishing food. We have joined with SHARE food bank and are trying to establish a farm in which they will grow their own truck vegetables and then either sell them or can them or freeze them for the winter. We are involved in any number of projects, one of which will be to develop a shared living facility. I think perhaps I've used my time.

Mr. Hobbs. Thank you very much, Sister Monica.

Next, let me introduce to you Earlene White, from Norfolk, Virginia, and her husband, Nelson, who's in the audience—as the two of them cofounded the organization called Parental Involvement Network, or PIN. And it came out of the problems they had with the busing situation in Norfolk. So, let's hear from her.

Earlene?

Mrs. White. Thank you. Contrary to popular belief, black parents are strongly in favor of neighborhood schools. In Norfolk, where courts approved an end to busing of elementary school students for the purpose of racial balance, parents were given the option of to bus or not to bus. Given this choice, black parents chose not to bus by a whopping 86-percent majority. We had always known that the blacks who actually had to deal with busing did not like it. This clearly points out that agencies need to interact with grassroots people to solve problems relating to welfare and education. When we attempted to inform civil rights and religious leaders of the true feelings in the black community, the first thing they wanted to know was what were our profes-

sional credentials. They failed to realize that grassroots people do not need a whole lot of credentials to express their concerns or to develop some expertise in solving their problems.

Since the media was only listening to black groups advocating busing, my husband, Nelson, got the idea to organize the black parents who oppose busing—thus, the Parental Involvement Network. We went door-to-door collecting signatures to present to the school board. We felt that 1,200 signatures was enough to convince both the school board and civil rights groups that there was substantial black support for an end to busing. We did this with a cadre of 15 parents. And in September '86, 8,000 black students returned to neighborhood schools where their parents have a greater opportunity to interact with the schools. We constantly help poor parents to understand how the school system works and to get the best out of it for their children. Education and welfare dependence are clearly related. In dealing with welfare parents, we found that more day care was needed—that even if they got a job the funds they received are stopped before they can get on their feet. Some change is needed in this area of transfer from welfare to becoming a working-class parent.

Mr. Hobbs. Thank you, Earlene. We now move on to Tony Enriquez, from Oakland, California, who is in charge of one of the longest running self-help efforts in the United States—the Spanish Speaking Unity Council, which was started in 1964.

Tony?

Mr. Enriquez. Okay, thank you. The Spanish Speaking Unity Council in Oakland, California, was started as a grassroot organization in 1964, but we have grown to a community development corporation with assets of over \$15 million. We operate a continuing care of services to our community from infant child care services to elderly services. We provide services in employment and training, both youth and young adults, housing programs for families and elders, emergency housing and family needs, small business technical assistance, and community economic development assistance and project development. More specific to today's panel discussion, we op-

erated a supported work program for over 10 years, working with long-term AFDC recipients, welfare mothers.

This supported work program provided avenues of opportunity to long-term welfare mothers to come back into the job stream. Through a welfare grant diversion process, we were able to provide job opportunities in a supported work environment. In the operation of our own small businesses, we have provided a vehicle to bring back self-reliance and capacity-building into the lives of many welfare mothers. In our organizational philosophy of integrating community economic development into the delivery of social services, we have been able to build community and individual capacity to alleviate poverty in our community. Thank you.

Mr. Hobbs. And finally, and closest to home, Kimi Gray, from Kenilworth Parkside Resident Management Association. Kimi, I know that you had five children on welfare and that you've gotten yourself and them off welfare and sent them all to college. And I think that's an accomplishment in itself worth applause. [Applause] But you've gone far beyond that, so tell us about it.

Mrs. Gray. All right. Mr. President, let me first describe the Kenilworth Parkside community. There are 464 public housing units. We're at the end of nowhere—some folks may refer to it—because we're in ward 7. And they call it the part of the city that's been forgotten. Prior to 1982 only two children within our community had gone to college. There was no heat and hot water in our public housing property. Trash pickup was terrible. And because of that we began to meet ourselves and organize the residents of our community.

And through our efforts we created a program that's named "College, Here We Come," Mr. President, which I know you are familiar with because you awarded us an outstanding award for sending over 582 of our children away to colleges. When those children went away to college, they returned very dissatisfied with our conditions. And because of that, those students and the parents of those students began to develop their own master plan, because we

had realized we had had persons to plan for us and had not given us an opportunity to plan for ourselves. And therefore, their plans were not successful because we had no way of participating, really, but to take orders.

Through our master plan we created resident management. And through our resident management concept, we reduced our welfare recidivism. In '82 it was 85 percent. It has now been reduced to 22 percent. We reduced our crime, reduced our teenage pregnancy by 50 percent. We created small businesses. For, you see, the philosophy of our community is that the only way that we could even save our community was beginning to save our families. And how did we save our families? By returning respect and responsibility and pride back to the fathers of our community by employing them first, before we employed the youth. We created the small businesses that are now employing those former welfare recipients, and they are owned by some of the residents of our community. For we knew that the only way we could help ourselves was by saving ourselves—that no one had the obligation to us to do anything for us. We had to do it ourselves.

I feel proud to sit here today because for the first time I know I personally had a direct input on forming this policy. And to my knowledge this has never been done before, where the executive branch of the Government has come down to the community to talk to a former public welfare recipient—to find out how we feel about things, to find out how we felt about being dealt with when it comes to welfare reform. In working with the Kenilworth Parkside community, we have done a need assessment—through our college students—and found that our residents want jobs. We are proud of the rippling effect that our community program has had, around not only the city of Washington, DC, but throughout the United States, to say that we want employment. We do not want welfare; we want independence. And we thank you, Mr. President, for providing us the opportunity.

Mr. Hobbs. Thank you, Kimi, and thanks to all of our panel members. Mr. President, you've heard these success stories. Why don't we talk a little bit about how we can

build on them?

The President. Well, believe me, and I know that there are many more like these, and I wish there were time here for a lot of questions that probably people have. And I hope that you will have time to find out more and how these work—for example, Sister, what your experience was in working with the State and cooperation and so forth.

Someone sent me a little item that must have appeared in print someplace. It was in print, it was just cut out, and I don't know where it appeared or anything. But it did give us pause to think. Just a little short thing, and it said: "In an earlier day in America, people lived well, they had plenty to eat, they were independent, they were free, and then the white man came." [Laughter] Well, Thomas Jefferson once wrote: "He knows most who knows how little he knows." In the area of welfare, I think it's clear today that it's time for those of us in Washington to face up to how little we know. You good people have just shown the truth of what columnist William Raspberry wrote recently, that good ideas come not from "Washington, where the headlines are, but out in the country, where the action is."

That, in effect, is what our welfare reform proposal is all about: creating a welfare system that invests in your solutions, and in the solutions of thousands of others like you around America. Our welfare study—it really isn't that thin—[laughter]—"Up From Dependency," which will be released today, names nearly 400 examples of self-help groups across the land. Our reform is intended to start a process that taps this spirit and mobilizes this initiative. And here's what we propose to do. We will ask Congress to approve legislation to allow the States to experiment with the kind of anti-poverty ideas that you've told us about here today. Right now Federal laws and regulations limit what the States can do. I was a Governor of a State, and I know how frustrating it could be. And that's why so many of your good ideas can't be tried within the bounds of our current welfare system.

Our proposal retains the current Federal financing role. And the Federal Government will continue to enforce civil rights

laws and due process protections. All we will ask from the Congress will be that it waive the many other rules and regulations that prevent State experiments from helping people become independent. In many States—with the limited flexibility we've given in the last 6 years—this experimentation has begun. Some, like Utah and New Jersey, have made great strides. As you know, I've invited all the Governors to the White House later this month to present our welfare proposal and to listen to their thoughts about welfare reform.

But our reform effort does not end with the States and the Governors; it only begins with them. One of the real keys is at the community and neighborhood level—people like yourselves. We want community leaders to draw up reform plans for their own cities and neighborhoods and then to work with State officials to put those plans into practice. We want not 50 experiments, but hundreds and thousands. In short, we want to liberate the creative genius and entrepreneurial energy that we've seen here today and that exists all across America. As one scholar, John McKnight, put it: "I know from years in the neighborhoods that we can rely on community creativity . . . America is being reinvented little by little in the little places."

There're just a few simple principles all experiments should follow. These are principles that all of us have learned and that you have begun to demonstrate. We've learned, for example, that work is the only genuine path to self-respect and independence. And we learned that any welfare system should offer the incentives and tools to escape welfare, not the incentives to remain dependent on welfare. With these and other lessons in mind, our proposal will ask the Congress to allow those of us in Washington to work with the States in screening reform ideas. We will offer communities and States wide latitude in developing their proposals, but we will also ensure that any initiative supports families and promotes self-reliance.

It's time for the Federal Government to admit to what it doesn't know and start listening to creative Governors like Tom Kean and Booth Gardner, Jim Martin. It's time for the Government to start listening

to community self-help groups like yours and the others that Chuck and his group here have identified. It's time, as Charles Murray has written: "to start listening to those we wish to help—not armed with a clipboard and a set of multiple-choice questionnaire items, but with curiosity and patience . . ." Well, that's what we've begun to do this past year, and that's what our reform package will help all of America to do in the years ahead.

You know, I had an experience as Governor, because we came up with a welfare reform plan. And it could only be permitted, under the regulations, as an experiment. And we dealt with and we negotiated with the people in Washington, and we were getting nowhere. And finally, I ordered our people—one of whom was Chuck Hobbs right here, who is responsible for some of that plan—I ordered our people that we would not discuss anything further with Washington unless the President was present. And he came to California, and we went down and met with him. And I scribbled a few notes in the plane on the back of a gin rummy pad. And when we got in the room with the people we'd been dickering with all these years or months and getting no place, I submitted what it was we wanted to do. It was a workfare plan—and what we had accomplished so far in getting ready for it, and it was wonderful. The President just heard me out—and it only took a few minutes—and he just turned to his group and said, "I want this done." You'd be surprised—it happened. But they'd only let us experiment, so we got to do 35 out of the 58 counties in California. And they very carefully omitted the two largest, Los Angeles and San Francisco.

But we started our experiment. And there was one benefit that we had not been able to anticipate, and that was that we had gone to every community at every level, and we had said: "Are there things in your community, your county, your district, whatever, that you would be doing if you had the manpower and the money?" We didn't want boondoggles. And they sent back their list of things, yes, that they would do. We screened them to make sure they were useful tasks. So, we approved

those useful tasks. And then we told them there is the manpower and the money, and they will soon be reporting to you for work. And then we notified the able-bodied welfare [recipients] that they were to report for this work. But at the same time, we assigned some of our own bureaucracy at the State level from our labor department to be job agents. They were each given a list of names. And they were to watch those people at what they were doing. And I said it is your job to try and make their work there temporary, not the job temporary—but to move them from that to the private sector as fast as possible. And in the midst of the 1973-74 recession, with the great increase in unemployment—through that program, we put 76,000 welfare recipients into private sector jobs and permanent—[*inaudible*]—

So, this is—I don't want to get caught like—I won't name the President but, I don't want to get caught like him and have me have to be able to turn and say—I've said it in advance of your coming with recommendations. And that's what Chuck has been hearing all about.

One last little thing I want to tell you. I have a letter on my desk that I have to answer. It just arrived. It's from a young man who had a water surfing accident—no, water skiing accident. He is a quadriplegic. He is totally dependent on the Government programs. But attached to his letter is a business card with his name on it. He has an idea for an independent business, a small

business, that he is organizing, to start. And the small business will be counseling and advising other disabled people to be able to free themselves from dependency and to become independent. And what he needs, and what I'm certainly going to try and work out for him, is some kind of a bridge from his present dependency to the success there—so that he can get by that bridge. And I think here, of all things, is a success story and an indication of what you've heard up here today. And that is what I've said myself so often—the overwhelming majority of the people on welfare want nothing more than to be independent of it and back out with the rest of us in the workaday world.

Now, I know we just have about used up all the time. I'd even thought maybe I would ask some questions here, but I know that we don't have time for it. But even so, the questions would have been kind of redundant because I think these four individuals made it pretty plain as to what they were doing. And I think as you all exchange information about what others have found can be done, we'll find the answer to this. And it will be an answer, in the American way, which we have neglected for too many years.

Thank you all, and God bless you all.

Note: The President spoke at 11:20 a.m. in Room 450 of the Old Executive Office Building. Charles D. Hobbs, Deputy Assistant to the President for Policy Development, moderated the discussion.

Nomination of Sally Brayley Bliss To Be a Member of the National Council on the Arts

February 11, 1987

The President today announced his intention to nominate Sally Brayley Bliss to be a member of the National Council on the Arts for a term expiring September 3, 1992. She would succeed Martha Graham.

For the past 4 years, Mrs. Bliss has been a participating member of the national screening committee for dance for the Ful-

bright-Hays scholarship program and has recently become a member of the board of visitors at the North Carolina School of the Arts. Mrs. Bliss is a former dancer, having performed for 7 years with the National Ballet of Canada; and artistic director for the Joffrey II Dancers, with whom she was affiliated for 16 years. Mrs. Bliss was a prin-

cipal dancer with both the Metropolitan Opera and the New York City Opera, and she was a guest artist with the American Ballet Theater and the Joffrey Ballet. She is a guest teacher, lecturer, and consultant both in the United States and Canada; and

her current primary project is authoring a book on the changes in the field of dance over the last 30 years. She is married, has two children, and resides in Oyster Bay, NY. Mrs. Bliss was born September 18, 1937, in London, England.

Designation of Chester E. Norris, Jr., as Deputy United States Representative on the Economic and Social Council of the United Nations

February 11, 1987

The President today announced his intention to designate Chester E. Norris, Jr., a career member of the Senior Foreign Service and Class of Minister-Counselor, to be Deputy Representative of the United States of America on the Economic and Social Council of the United Nations. He would succeed Dennis C. Goodman.

Since 1986 Mr. Norris has been on detail to the United States Mission to the United Nations. Previously, he was counselor for economic affairs, American Embassy in Lagos, 1982–1986; with the Bureau of Near Eastern and South Asian Affairs, 1981–1982; economic officer, American consulate gen-

eral, Jeddah, 1979–1980; Director, Office of Development and Humanitarian Affairs, Bureau of International Organization Affairs, Department of State, 1976–1979; on detail, National War College, 1975–1976; trade promotion officer, American Embassy in Sydney, 1972–1975; trade promotion officer, American Embassy in London, 1970–1972; and economic/commercial officer, American Embassy in Tel Aviv, 1966–1970.

Mr. Norris graduated from the University of Maine (B.A., 1951). He is married, resides in New York City, and was born December 1, 1927, in Bangor, ME.

Appointment of Two Members of the Board of Visitors of the United States Military Academy

February 11, 1987

The President today announced his intention to appoint the following individuals to be designated members of the Board of Visitors to the United States Military Academy for terms expiring December 30, 1989. These are reappointments.

William D. Mounger, of Mississippi. Since 1970 Mr. Mounger has been an independent oil producer in Jackson, MS. Previously he was with Deposit Guaranty National Bank as a petroleum engineer and then vice president and manager, 1958–1970. He graduated from the U.S. Military Academy (B.S., 1948) and the University of Oklahoma (M.S., 1957). Following gradua-

tion from West Point, he was in the U.S. Air Force for 5 years and attained the rank of first lieutenant and aircraft commander. He was born March 31, 1926, in Jackson, MS.

Brig. Gen. George B. Price, USA (Ret.), of Maryland. Since 1984 General Price has been general manager of opera singer Leontyne Price. Previously he was executive vice president of Unified Industries, Inc., 1982–1984. General Price served in the U.S. Army for 28 years and retired in 1978. He graduated from South Carolina State College (B.S., 1951) and Shippensburg State College (M.S., 1971). General Price was born August 28, 1929, in Laurel, MS.

Appointment of Eight Special Assistants to the President for National Security Affairs

February 11, 1987

The President today announced the appointment of eight members of the National Security Council staff as Special Assistants to the President for National Security Affairs, reporting to the Assistant to the President for National Security Affairs, Frank Carlucci. They are as follows:

Grant S. Green, Jr., will also serve as Executive Secretary for the National Security Council. He will succeed Rodney B. McDaniel. Since January 1983 Mr. Green has served in several senior management positions with Sears World Trade (SWT), and most recently he was assistant to the chairman. Before joining SWT, Mr. Green served in the U.S. Army (in the grade of colonel), where he last held the position of Military Assistant to the Deputy Secretary of Defense. Throughout his 22-year military career, Mr. Green served in a variety of infantry and aviation command and staff assignments, including tours of duty with the 82d Airborne Division, where he commanded the 2d Aviation Battalion. Mr. Green is a graduate of the University of Arkansas (B.A., 1961) and George Washington University (M.S., 1976). He is married, resides in Alexandria, VA, and was born June 16, 1938, in Seattle, WA.

Herman Jay Cohen, will also serve as Senior Director of African Affairs for the National Security Council. He will succeed Clark A. Muddock. Since 1955 Mr. Cohen has been a career Foreign Service officer with the Department of State, where he specialized in African affairs and served as United States Ambassador to the Republics of Senegal and The Gambia, 1977-1980. He has also served in various capacities in Uganda, Zimbabwe, Zaire, and Zambia. Mr. Cohen was Director for Central African Affairs, 1970-1974; and since 1980 Mr. Cohen has successively held the State Department positions of Deputy Assistant Secretary for Intelligence and Research and Deputy Assistant Secretary for Personnel. He is a Phi Beta Kappa graduate of the City College of New York. Mr. Cohen is married, has two children, and was born February 10, 1932, in New York City.

Robert W. Dean, will also serve as Senior Director of International Programs and Technology Affairs for the National Security Council. Since August 1986 Mr. Dean has served as Senior Representative for Strategic Technology Policy at the Department of State. Previously he was

Deputy Secretary of State for Politico-Military Affairs, 1981-1985. He served as national intelligence officer for the U.S.S.R. and Eastern Europe; as senior staff member at the Rand Corp. in California; and as policy assistant to the director, Radio Free Europe, Munich, Germany. Mr. Dean graduated from Brandeis University (B.A., 1964), the Graduate School of International Studies at the University of Denver (M.A., Ph.D., 1970), and Harvard University's Kennedy School of Government (M.P.A., 1977). He is married, has two children, and resides in McLean, VA. Mr. Dean was born January 16, 1942, in Boston, MA.

Fritz W. Ermarth, will also serve as Senior Director of Soviet and European Affairs for the National Security Council. He will succeed Ambassador Jack Matlock. Since 1984 Mr. Ermarth has served as the national intelligence officer for the U.S.S.R. and a member of the National Intelligence Council under the Director of Central Intelligence. In 1983 he served on the Hoffman panel to develop strategic perspectives for the President's SDI program and on the Levine panel to examine assessments of the Soviet economy for the President's Foreign Intelligence Advisory Board. He was a member of the National Security Council staff with responsibility for strategic and regional security planning, 1978-1980. Mr. Ermarth graduated from Wittenberg University (B.A., 1961) and Harvard University (M.A., 1963). He is married, has two children, and resides in McLean, VA. Mr. Ermarth was born February 20, 1941, in Chicago, IL.

Barry Kelly, will also serve as Senior Director for Intelligence and Multilateral Affairs for the National Security Council. Since his retirement from the Central Intelligence Agency in 1981, Mr. Kelly has worked in private industry, where he concentrated on issues affecting national security; and most recently he held the position as operations manager at Titan Systems, Inc. The major portion of Mr. Kelly's career has been with the United States Government, where he served in Nepal, Vietnam, and the Soviet Union. In 1978 he was appointed director of an office in the Central Intelligence Agency's Directorate for Science and Technology. Mr. Kelly graduated from the University of Pittsburgh (B.A.) and Duke University (M.A., James B. Duke fellow). He received the first CIA Distinguished Intelligence Officer

Award in 1980. Mr. Kelly was born May 12, 1931, in Jeannette, PA.

Ambassador Robert Bigger Oakley, will also serve as Senior Director of Middle East, South Asia, and North Africa Affairs for the National Security Council. Mr. Oakley has the rank of Career Minister in the Foreign Service, which he joined in 1957. He has most recently been a resident fellow at the Carnegie Endowment for International Peace. Previously, he completed a 2-year tour as Director of the Office for Combatting Terrorism at the Department of State, September 1984 to September 1986; Ambassador to the Somali Democratic Republic, 1982–1984; Ambassador to the Republic of Zaire, 1979–1982; Deputy Assistant Secretary for Asia and the Pacific, 1972–1979; and senior adviser of the National Security Council staff for the Middle East, South Asia, and North Africa, 1974–1977. Mr. Oakley graduated from Princeton University (1952). He is married, has two children, and resides in Washington, DC. Mr. Oakley was born March 12, 1931, in Dallas, TX.

Jose S. Sorzano, will also serve as Senior Director of Latin American Affairs for the National Security Council. He will succeed Raymond F. Burghardt. Since 1969 Dr. Sorzano has been an associate professor of government at Georgetown University. He is also president of the Cuban American National Foundation, an independent nonprofit organization dedicated to gathering and disseminating data about Cuban

economic, political, and social issues. During a recently concluded leave of absence from the University, Dr. Sorzano was appointed by the President as Ambassador and U.S. Representative to UNESCO, a position he held from 1981 to 1983. Subsequently, Dr. Sorzano was appointed to the position of Deputy U.S. Permanent Representative to the United Nations with the rank of Ambassador, where he served until August 1985. He graduated from Georgetown University's School of Foreign Service (B.S., 1965; Ph.D., 1972). Dr. Sorzano is married, has two children, and was born in 1940 in Havana, Cuba. He came to the United States in 1961 and became a United States citizen shortly thereafter.

Paul Schott Stevens, will also serve as legal adviser for the National Security Council. Formerly a partner in the firm of Dickstein, Shapiro and Morin, Mr. Stevens has been engaged in the private practice of law in Washington, DC, since 1978. Previously, he served as Deputy Director and General Counsel of the President's Blue Ribbon Commission on Defense Management, 1985–1986; and he was a lecturer in law on the adjunct faculty of the Washington College of Law at the American University, 1980–1983. Mr. Stevens graduated from Yale University (B.A., 1974) and the University of Virginia School of Law (J.D., 1978). He is married, has one child, and resides in Alexandria, VA. Mr. Stevens was born November 19, 1952, in New Orleans, LA.

Statement on Proposed Catastrophic Health Insurance Legislation **February 12, 1987**

I will propose to Congress a comprehensive plan for providing health insurance for those who suffer a catastrophic illness. We all know family, friends, or neighbors who have suffered a devastating illness that has destroyed their financial security. As medical science has given us longer lives, we must face the new challenges to ensure that the elderly have security in their old age. A catastrophic illness can be a short-term condition requiring intensive, acute care services or a lingering illness requiring many years of care. It can affect anyone—the young, the middle-aged, the elderly. The single common denominator is financial. It can require personal sacrifices that haunt

families for the rest of their lives.

I am asking Congress to help give Americans that last full measure of security, to provide a health insurance plan that fights the fear of catastrophic illness. My plan would provide acute care for those over 65 by restructuring the Medicare program. Under my proposal, the elderly would receive catastrophic health care coverage under Medicare, while limiting out-of-pocket expenses to \$2,000. This coverage will be made available for an additional monthly Medicare premium of \$4.92. The plan also aims to improve protection for the general population and for the long-term care of the elderly. For too long, many of

our senior citizens have been faced with making an intolerable choice—a choice between bankruptcy and death. This proposed legislation would go a long way to help solve that dilemma.

Note: Marlin Fitzwater, Assistant to the President for Press Relations, read the statement to reporters at 12:15 p.m. in the Briefing Room at the White House.

Remarks to Students From Hine Junior High School on Abraham Lincoln

February 12, 1987

The President. Good afternoon, and welcome to the Old Executive Office Building. Now, you might have heard that just last week I celebrated the 37th anniversary of my 39th birthday. [*Laughter*] And come to think of it, I guess that makes me older than any four or five of you put together. [*Laughter*] But at my age, I can't tell you how good it makes me feel to be with young Americans—to share your optimism and your energy and your hopes for the future. So you see, you've given me a gift today, and I want to begin by simply saying thank you.

Before I talk about the heritage of Abraham Lincoln that we cherish, I want to mention a decision that I've made today of special significance to your families and ultimately to you. I will be sending to Congress a plan for providing through Medicare protection against the tremendous costs of catastrophic illness. Now, for those of you who might not have heard that term, that is those peculiar things that can happen, either by way of an accident or an ailment—a disease that results in hundreds of thousands of dollars in medical expense. And I'm certain that each of you has parents or grandparents or knows others who are facing the crisis of a catastrophic illness. The proposal I'm announcing today is a giant step forward in helping those who, before now, would have had to make a choice between financial ruin or death. With the protection that this plan will provide, senior citizens will now be safe from the worst fear of old age: having their life savings taken away to pay the costs for an acute care due to a catastrophic illness.

Well now, we've gathered here this after-

noon to celebrate the life of Abraham Lincoln. And I suppose I'd better point out that, despite what you may have heard, it's not true that honest Abe and I went to school together. [*Laughter*] It is true, however, in this young country of ours, that when I was your age there were Americans who could remember Abraham Lincoln—people who had heard the tall lanky man promise “malice toward none” as he stood on a platform at the Capitol to give his second inaugural address; people who had gathered in a field in the gentle land of southern Pennsylvania to see the gaunt, war-weary President dedicate a cemetery with the Gettysburg Address; people who'd heard Mr. Lincoln swap jokes with country politicians and seen his dark eyes sparkle; people who'd stood by the tracks in silence as a train draped in Union flags rolled past, bearing the body of the fallen President from Washington across the great spaces of the young Nation back home to Springfield, Illinois. Indeed, on Memorial Day there would be members of the Grand Army of the Republic marching in that parade, veterans of the Civil War. Even now, ours remains a young nation. And Lincoln gave voice to that youth. For even in the bleakest moments, even when he set his face grimly toward war, he was untouched by cynicism or loss of faith. Mr. Lincoln believed—he believed in freedom, believed in the goodness and the ability of his heroes—the people of this country.

Abe Lincoln was born in 1809 in a log cabin in the western wilds of Kentucky. And he spent his entire youth and boyhood in poverty, in frontier places where men hewed down endless trees, forcing the

forest with their own muscles to give up its poor land for crops; where women cooked over open fires and washed their clothes in creeks. Formal education was impossible, but young Lincoln pored over the few books he could find, studying the Bible in particular, probably the only book that his family owned. And I'm sure you must have heard that sitting by the open fire as a boy, he would work out arithmetic problems and so forth with a piece of charcoal on a wooden shovel that was there by the fireplace. The first lesson that the life of Abraham Lincoln has to teach is: You don't have to be rich to love learning and make something of yourself.

Before he became President, Lincoln succeeded as a lawyer in only a modest way; and in politics, he failed repeatedly. He lost his first race for the State legislature in Illinois. And when at last he was elected, he ran twice for speaker of the Illinois house. And both times he was defeated. In 1856 he campaigned for his party's Vice-Presidential nomination, and the nomination went to another. In 1858, he ran for the Senate, and he was defeated. Even as President, Lincoln at first seemed a loser. The Union armies met defeat in the crucial early engagement of the Civil War, then frittered away time drilling on their campgrounds when they should have been pursuing the enemy. In England, the most powerful nation in Europe, informed opinion sided with the Confederacy and held that it would be a matter of months before the North lost the war and the crude, backwoods President was forgotten. That's the second lesson Mr. Lincoln can teach us: If you are in the right, ignore defeat. Persevere. For in persevering, Lincoln saved the Union and won freedom for the more than one-tenth of the population that had been kept down in bondage.

Like all men, Lincoln was affected by the prejudices of his time—even in his first years as President he held that, subject to certain conditions, slavery could never be tolerated. But Lincoln kept thinking; his understanding of human dignity deepened. In September of 1862 Lincoln assembled his Cabinet. He explained that he'd made a vow regarding human freedom to himself and, he added hesitatingly, to "his maker."

When Congress convened in December, he explained, he would push for compensated emancipation in the States that had remained loyal to the Union. And then President Lincoln read the text of the Emancipation Proclamation, a document declaring that in the rebel States, all Americans, whatever their color, should be "... thenceforward and forever free."

This is Lincoln's greatest lesson, this lesson in liberty. He understood that the idea of human liberty is bound up in the very nature of our nation. He understood that America cannot be America without standing for the cause of freedom. He had often asked himself, Mr. Lincoln once said, what great principle or idea it was that held the Union together for so long. "It was not," he said, "the mere matter of the separation . . . from the motherland." It was something more. It was "... something in that Declaration of Independence giving liberty, not alone to the people of this country, but hope to the world . . . it was that which gave promise that in due time the weights should be lifted from the shoulders of all men."

In other countries, young men and women your age look back on the histories of their nations to emperors and kings, glorious figures raised in palaces, attended upon by servants, given every refinement of education by the most eminent scholars of the day. You as Americans look back on a different kind of figure; a poor man; a humble man of the frontier and prairie whose parents could neither read nor write; a man polite society looked down on because he told too many jokes. Yet, for all that, a man who shook the world by consecrating himself and his nation to liberty. You know, I have to tell you something about that joking thing. A great many people criticized him. They thought he laughed too much and had jokes. He had an answer for them. He said, "I couldn't perform the duties of this job for 15 minutes if I couldn't laugh." And then he went on and said something else, also—not at that same time. He said also that he couldn't perform the duties of that office if he didn't feel that he could ask for help from someone who was wiser and stronger than all others.

Perhaps you and I can best honor Abraham Lincoln by continuing his work. We see in recent incidents at Howard Beach, New York, and Forsyth County, Georgia, that racism is still with us—North and South. Let each of us work to eliminate this scourge from our country. And in our own lives let us strive to live up to Mr. Lincoln's example: his respect for gentleness, for knowledge; his humor; his tolerance of his fellow men; his abiding love for America.

You know, living in the White House is kind of an experience. You can't ever be free of the knowledge of who and how many have preceded you there. But as more telling with Lincoln than with everyone, because just down the hall from where we go to sleep at night is Lincoln's Bedroom, furnished exactly as it was back there for him. And there's even a legend in the White House that he's still there. As a matter of fact, people who've worked there through several Presidents will go out of their way to tell you, yes, that they believe he is. Now, I haven't seen him myself. [Laughter] But I have to tell you, I am puzzled. Because every once in a while our little dog, Rex, will start down that long hall toward that room just glaring as if he's seeing something and barking. And he stops in front of Lincoln's door, the bedroom door. And once, early on in this, I just couldn't understand it. So, I went down and I opened the door, and I stepped in, and I turned around for him to come on, and he stood there, still barking and growling and then started backing away—[laughter]—and would not go in the room. So, the funny thing, though, is I have to feel—unlike you might think about other ghosts—if he is still there, I don't have any fear at all. I think it would be very wonderful to have a little meeting with him and probably very helpful.

How many of you have gone to the Lincoln Memorial? You must have. Well, now I want to ask you—the first time I was ever there, someone, a veteran of being there, told me to do something. And I wonder if you were ever told to do it. And that is, to go in and stand on one side of that great monument and look up at the profile of Lincoln. But then to go round to the other side of the statue and look at the other side

of Lincoln. And what the artist has accomplished—if you ever have another chance, go there and try this: on one side in that face you see strength. You see the thing that he had that made him able to deal with those problems. When you get around to the other side, that side of the face, you see compassion. You see the great kindness of that man. Now, I don't know how the artist accomplished that, but it's there. So if you haven't done that, make another trip sometime and see if that isn't true.

Well, I guess that's enough of a history lesson here for today. There are many stories about Lincoln that could be told, but I know that I'm not to keep you here any longer. And I just want to thank you all for being here. And that thing that I said about loving our fellow man and tolerance and so forth—I was blessed. I was raised in a family that—my mother and father told my brother and myself that the greatest sin there was was intolerance, prejudice against any other people for any reason. And we grew up with that, both of us, and I'm happy for it. And your generation, you don't have anything to live down as my generation did, of previous practices that were based on prejudice. So, just make up your minds and believe firmly, we're all God's children, equally beloved by him. And as he made it plain, by loving one another, we in turn do love him.

So, God bless all of you, thank you very much.

Mr. Coles. Mr. President, I realize that your schedule is very busy, but I would feel very remiss if I didn't have an opportunity to convey to you some of the messages that we at Hines feel.

You know, a few years ago, as I look back down the annals of time, as I travel back to 1809—I see a little baby, a baby who could not know his destiny; a baby who could not know that the unity of the whole country will rest in his hands; a baby who could not know that he will be responsible for the removal of a nation's shackles. And then, as time progresses, I see this boy gradually accepting the mantle of manhood. And then, as we come up to 1863, I see, as Dr. King said, "a facilitating President signing the Emancipation Proclamation." And then, as

we come through the years, as we come up to 1983, another Republican President is in the White House. This President also saw the need to remove shackles. These were the shackles of indifference toward education. President Lincoln's proclamation was used to unite the country, but President Reagan's proclamation was used to unite the minds. President Lincoln's proclamation can be found in any reference book, while President Reagan's proclamation is a living testament to the commitment of educational excellence.

The shackles that President Reagan loosed were not physical shackles; they were the shackles of ignorance. They were the shackles that bound the mind and kept the school from reaching its maximum potential. It seemed as if nothing could break these bonds. And then there came a man, a man with the authority to make a change and the compassion to do so. This man, much like Abraham Lincoln, saw the condition and proceeded to rectify it. And it was then that the school adoption program was implemented. And now I, on behalf of the students of Hines Junior High School, wish to thank you, Mr. Reagan. If it was not for—if it were not, rather, for your proclamation, we wouldn't have had a chance to ride the battleship *Eagle*. If it wasn't for your proclamation, we wouldn't have had a chance to have a Redskins All Star Club with tutoring in all of the four major subject areas, with communications and cultural enrichments; we wouldn't have had a chance for Redskins and Redskinettes to come to Hines and sponsor many social events; we wouldn't have had that chance if you hadn't decided to make a change. The gratitude that we feel is not for mere words to define.

But we also wish to thank Mrs. Dole. We wish to thank all of the Maritime Associates. I could stand up here all day long and I could never finish telling you the things that DOT has done for Hines. But instead, I'll conclude by saying this, as a famous orator once stated: "In order to discover

new oceans, first you must have the courage to lose sight of familiar shores." Those people that I have named—they were in actuality helping Hines to discover new oceans. Whenever President Reagan signed a bill or advocated legislation for the improvement of the schools in any way, shape, form, or fashion, he was in actuality helping Hines and our advocates to discover new oceans.

And now, with that in mind, I wish now to present to you, Mr. Reagan, this Hines Junior High School jacket. But we sincerely hope that you will not consider this as merely a jacket. We hope that you consider this as a symbol of the bond that we now share. And with this jacket comes a lifetime association with the Hines family. And with a open heart do we welcome thee.

The President. Thank you very much. I am very proud to have this. And, you know, I know there are present here—and I have met here a few on the platform—principals, some teachers, as well as students. And I know at your age, it's awfully easy sometimes to get very frustrated and sometimes think they were oppressing you. I remember once sitting in the principal's office when I was in high school. [Laughter] I hadn't been invited there for a social. [Laughter] And he said something that I remembered over the years. He said to me: "You know, Reagan, I don't care what you think of me now. I'm only concerned about what you may think of me 15 years from now." And more than 15 years later, and before his death, I had the opportunity to tell him how I felt about him—15 years later—and how much a part he had played in my life and how indebted I was to him.

So, God bless all of you here, and thank you very much for this.

Note: The President spoke at 1:34 p.m. in Room 450 of the Old Executive Office Building. Michael Coles was a ninth-grade student at the school. Elizabeth H. Dole was Secretary of Transportation.

Proclamation 5608—National Year of Thanksgiving, 1987 *February 12, 1987*

*By the President of the United States
of America*

A Proclamation

We, as a people, have been truly blessed, and for these blessings we should be everlastingly grateful to the God to Whose providence this Nation was committed from its very inception. President Washington issued a Thanksgiving Proclamation in 1789 “to recommend to the people of the United States a day of public thanksgiving and prayer to be observed by acknowledging with grateful heart the many signal favors of Almighty God, especially by affording them an opportunity peaceably to establish a form of government for their safety and happiness.”

To remind us of our own rich heritage and the blessings of life in America, 1987 has been designated the National Year of Thanksgiving. It is no coincidence that this is the year in which we celebrate the 200th anniversary of our Constitution.

The early settlers of our country possessed a strength and a conviction based on their faith in God that helped them withstand the rigors and hardships of carving a nation out of wilderness. They laid a firm foundation built on the worth, dignity, and inalienable rights of the individual. For sustaining them and granting them success in bringing forth on this continent a new Nation, they praised the Almighty and His mercy.

Throughout our history our Presidents have summoned the Nation to continue this tradition of praise and thanksgiving. From George Washington kneeling in the snow at Valley Forge to Abraham Lincoln praying for the preservation of the Union to Franklin Roosevelt expressing confidence the prayers of mankind would bring us through to victory, we have turned with faith and trust to the One Who holds the whole wide world in His hands.

The national celebration of the Bicentennial of the Constitution also gives us an opportunity to remember and honor those who gathered in Philadelphia to forge a document that would provide a blueprint for this great Nation. Benjamin Franklin, the oldest member of the Assembly, reminded his fellow delegates that God had heard their prayers during their struggle for Independence. Should they not remember, he asked, that God governs in the affairs of men? “If a sparrow cannot fall without His notice,” he urged them, “how can an empire rise without His aid?”

We look to the future of our Nation in this same spirit. Let us thank God for our constitutional form of government, for our precious freedoms of speech, assembly, religion, and the press, and for all those who sacrificed to preserve them in peace and in war for two centuries.

In recognition of the vital role that expressions of thanksgiving play in our national heritage, the Congress, by Public Law 99-265, has designated 1987 as a “National Year of Thanksgiving” and authorized and requested the President to issue a proclamation in observance of this event.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim 1987 as a National Year of Thanksgiving, and I urge all Americans during this year to celebrate and demonstrate our gratitude for God’s blessings and to be grateful for our heritage and our future.

In Witness Whereof, I have hereunto set my hand this twelfth day of February, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:45 a.m., February 13, 1987]

Statement on Signing the Emergency Food and Shelter Bill *February 12, 1987*

Today I have approved H.J. Res. 102, a joint resolution containing four unrelated provisions. This legislation provides \$50 million in additional funds for the emergency food and shelter program run by the Federal Emergency Management Agency through a consortium of private charitable and religious organizations to assist the homeless by transferring funds from the disaster relief program; authorizes the Veterans Administration to contract for treatment and rehabilitation services in community-based treatment facilities for veterans suffering from chronic mental illness; disapproves a proposed deferral of funds for intrastate storage and distribution costs of surplus food donated to the States for the needy; and in section 3 purports to disapprove the pay raises I recommended for the Vice President, Members of Congress and the judiciary, and certain executive branch officials.

The Attorney General has advised me that the purported disapproval of my pay recommendations is without any legal force

and effect because the House of Representatives did not vote on the resolution until after expiration of the statutorily prescribed 30-day period for passage of a joint resolution of disapproval. The Federal Salary Act, pursuant to which I made these recommendations gives the Congress 30 days in which to pass a joint resolution disapproving the recommended increase. That act, of course, does not prevent the Congress from taking legislative action that either amends the act or sets the statutory rates of pay for covered individuals. Subject to the constitutional limitations in article III, section 1, precluding a decrease in compensation for members of the judiciary, I recognize that the Congress has the legal authority to repeal the pay raise. In this case, however, the Congress chose to use the 30-day joint resolution of disapproval mechanism provided in the act, and its actions must be interpreted accordingly.

Note: H.J. Res. 102, approved February 12, was assigned Public Law No. 100-6.

Designation of Julius W. Becton, Jr., as National Defense Stockpile Manager *February 13, 1987*

The President today designated Julius W. Becton, Jr., Director of the Federal Emergency Management Agency, as National Defense Stockpile Manager. This is a new position.

Served to his current position, Mr. Becton served as Director, Office of Foreign Disaster Assistance, Agency for International Development, 1984-1985. He is also government representative to the American Na-

tional Red Cross. For more than 35 years, he served in the United States Army, retiring with the rank of lieutenant general.

Mr. Becton graduated from Prairie View A&M College (B.S., 1960), the University of Maryland (M.A., 1966), and the National War College (1969-1970). He is married and has five children. Mr. Becton resides in Alexandria, VA. He was born July 29, 1926, in Bryn Mawr, PA.

Remarks Congratulating the New York Giants, 1987 Super Bowl Champions

February 13, 1987

The President. Well, it's wonderful to have you all here. Nancy was going to invite you to my birthday party last week, but when I mentioned the way you like to celebrate, she said she didn't think that wearing Gatorade was Presidential. *[Laughter]* So, next week in Washington we'll be addressing the critical issues of excellence and competitiveness in American life. And I can't think of a better kick-off than having the New York Giants here today. No one who saw your performance during those close games in the middle of the season and your overpowering victories in the playoffs and the Super Bowl can doubt "The Jints" are a great football team. *[Laughter]*

Now, I know Coach Parcells has a family commitment today and couldn't be with us, but I also know he's going to be a little upset with me for saying that. I read somewhere that he likes to keep everything nice and modest and humble and understated. I even hear that when, from time to time, great players like yourselves make mistakes, he issues only very gentle, low-key, even tender reminders like: "Now, now, linebacker Carson, that's a no-no." *[Laughter]* I guess the truth is that Bill Parcells is a little more outspoken than that. But I also guess that coaches do have a right to take the game seriously. Not as seriously as the fans, of course, but seriously.

I can remember the old story told about one Notre Dame coach—now, not the coach you're thinking of—*[laughter]*—believe me, if I start telling Rockne stories we'll be here all day. *[Laughter]* No, this story is about one of Rock's successors and one of his own players, Frank Leahy. It was in a game Notre Dame played back in 1946 and Notre Dame player Bob Livingstone missed a tackle. And his teammate, Johnny Lujack, screamed, "Livingstone, you so-and-so, you!"—and he went on and on about that. And then Frank Leahy said, "Another sacrilege like that, Jonathon Lujack, and you'll be disassociated from our fine Catholic university." Well, in the very next play

Livingstone missed another tackle. And Coach Leahy turned to the bench and yelled, "Lads, Jonathon Lujack was completely right about Robert Livingstone!" *[Laughter]* But the serious side of football is something the Giants and their fans understand. After that famous play in 1978 against the Eagles, one loyal Giant fan, Mike Taubin, put it this way: "My seats are in the end zone and I can still see Herman Edwards coming straight toward me. My life was over!" *[Laughter]*

Well, as both stories suggest, football is more than just serious business—and being successful at it means realizing that. Harry Carson and the Gatorade bucket proves my point. The New York Giants played great football this year, but they also had fun. That kind of spirit has always marked the great Giants teams. That's why our fans have been so—or your fans, I should say, have been so loyal and for so many years. I don't have many fans anymore. *[Laughter]* Well, they knew that someday they would have a great team again and that such a team would mean more than just great athletes, it would mean a team with a heart—a team that liked each other and a team that loved fun, but loved winning more.

So don't forget, you're continuing one of the best traditions in football history. Some say those Baltimore Colts versus New York Giants games in 1958 and '59 were the greatest ever played. And who can ever forget the offense of Conerly, Gifford, and Rote and the great defense of Huff and Modzeleswki and Grier. Today's Giant organization—Wellington Mara, Tim Mara, George Young, Bill Parcells, and, above all, this team is marked by that tradition and that spirit. It's a tradition you've continued and ennobled. I know what a moment it must have been for you, well, Mara, when Charley Conerly walked over and hugged you after the Super Bowl.

You know, I was going to mention some names now. I wanted to single out Joe Morris as the courageous sparkplug who, in

almost every game, got the offensive weapon going. And then there was Brad Benson's war with a great opponent named Dexter Manley. And all of you on that tremendous Giants offensive line. You see, fellas, I used to play guard—[*laughter*]—right guard, that is. [*Laughter*] I'm sympathetic—and then receivers like Mark Bavaro or Phil McConkey. Phil, as you know, I'm partial to flag-wavers. [*Laughter*] Of course, the defense—sportswriter Paul Zimmerman said that, "Coach Parcells likes to collect elephants. Also linebackers. And sometimes it's hard to tell them apart." [*Laughter*] I'm glad he didn't say donkeys. [*Laughter*] That took a minute, didn't it? [*Laughter*]

All I can say is I'm awful grateful the Gipper played before your time. But Lawrence Taylor, Harry Carson, Carl Banks, Byron Hunt, Andy Headen, Gary Reasons, and the rest of you—you were all superb this year. And so were the men in front of you, from Jim Burt to George Martin; and those behind you—a secondary that took some critical losses this year but came right back at the opposition. And finally, I wanted to single out Phil Simms, not only for his great play on the field but for his character as a leader. But it's hard to single out people on this team. It wasn't just Phil or Joe or L.T. or Harry. The one thing everybody noticed about this team is that it was a band of brothers, a team forged by one undeniable bond—the will to win.

You know, a young boxer in New York once asked the Westside Y's boxing coach Bob Chiocher what made a good fighter. And Coach Chiocher didn't answer with, well, quick hands or fast feet or punching power or any of the number of other answers that you might expect. He said instead, "A good fighter is a hungry fighter." Well, it's the same with football teams or in any sport. And this year the Giants were hungry for victory—victory for their owners, for their coaches, and for their fans; hungry to excel and to be the best; and hungry to prove that they were true representatives of a great and grand football tradition. That's what the Super Bowl victory meant. As George Martin said after the game, "The Giants of yesteryear have passed the torch."

So, I want to congratulate all of you—George Young for playing such a crucial role in developing this team, Coach Parcells, the Maras. All of us today, all of America, salute you. And we salute you as the best.

Thank you all, and God bless you.

Mr. Young. It's nice to be here surrounded by the Secret Service instead of by the Redskins. [*Laughter*] It's a privilege for me to represent the Giant organization in thanking the President for inviting us to meet him and also for inviting us to visit the most famous home in all the world. But before we do anything more, we have some presents for Mr. President from three of our captains—Phil Simms, George Martin, and Harry Carson. But Harry Carson, you'd better be careful of—he's a little sneaky. [*Laughter*] Phil Simms will be first.

Mr. Simms. On behalf of the Giants, Mr. President, I'd like to present you with this jersey. We would like for you to be part of our team. And of course the number, I think, is very suitable for you.

Mr. Carson. Mr. President, I had to talk some of my teammates out of dunking you because that's what they wanted me to do to you. [*Laughter*] But instead, I would like to present to you this visiting team jersey so that whenever we come to RFK, you can sit in the stands and root for the best team.

Mr. Martin. Mr. President, all of the ball-players of the New York Giants voted unanimously to make you an honorary ball-player of the New York Giants. They did so only because they said that you and I were very close in age. [*Laughter*] I quickly informed them that as a senior member of the New York Giants that that grants me the veto power. [*Laughter*] And in doing so, sir, I would like to give you a replica of our Super Bowl ring and make you an honorary coach of the New York Giants.

The President. I thank you all. I once played opposite a fellow that could've worn that ring. [*Laughter*] He outweighed me 100 pounds. And I decided I wasn't going to go under him. And I couldn't go over him. I decided to go around him, and I almost got killed. I met our tackle coming around the other side. [*Laughter*] But when do I report? [*Laughter*] Well, thank you all.

God bless you all for being here. We're all proud of you.

Note: The President spoke at 3:05 p.m. in the East Room at the White House. In his

remarks, the President referred to former New York Giants players Charley Conerly, Frank Gifford, Kyle Rote, Sam Huff, Richard Modzeleswki, and Rosie Grier.

Radio Address to the Nation on Proposed Catastrophic Health Insurance Legislation *February 14, 1987*

My fellow Americans:

This afternoon I'd like to spend a few moments discussing a decision I made this week, a major decision that's likely to affect virtually every family in America. Our administration will propose to Congress a comprehensive plan to cover catastrophic illnesses. A catastrophic illness can strike anyone—the young, the old, the middle aged. The single distinguishing characteristic is simply this: Whatever form it takes, a catastrophic illness costs money—lots of it. The problem has grown in recent years as we've achieved medical breakthroughs enabling Americans to live longer lives. Come to think of it, I myself have already lived some 22 years longer than the life expectancy at the time of my birth. But longer lives for Americans involves the challenge of seeing to it that our older citizens have the financial security they need. With our new proposals, I'll be asking the Congress to join our administration in meeting that challenge.

In brief, this is how the proposals break down: First, we're asking Congress to legislate acute catastrophic illness insurance for Medicare beneficiaries, most of whom are 65 and over. Under this proposal, Medicare itself would be amended to provide unlimited Medicare coverage. Moreover, our proposal would establish a limit of just \$2,000 for out-of-pocket Medicare expenses that can presently run into the many thousands. And we can do all this by adding just \$4.92 to the Medicare monthly premium. This is a pay-as-you-go program, a program that requires no tax dollars. Now, what does this mean in practical terms? Well, the answer is simple: peace of mind for some 30 million

older Americans. Suppose, for example, that someone over 65 fell and broke a hip. And then suppose that, while still recovering, she contracted pneumonia. A broken hip and pneumonia—that could mean two acute care hospitalizations within the same year, care that would cost thousands. Under Medicare as it stands today, the patient herself would have to pay a significant portion of these costs—and all but the very wealthy would be wiped out. But under our proposal, Medicare itself would pay most costs above \$2,000, giving the patient financial security.

Regarding the cost of long-term care for older Americans, there are no easy answers. But in its second part of our initiative, our proposal calls for the Treasury Department and others to find ways of helping families meet these costs. Options we will examine include, for example, favorable tax treatment for savings accounts established to meet the costs of long-term care. Of course it's too early to predict what will work best, but the important point is that our proposal calls on the Government to start working. I'm confident that, working with Congress and private insurers, we can find a new and innovative way to ease the financial burden of long-term care.

But our proposal isn't just aimed at older Americans. In part three of our initiative, we will take steps to improve catastrophic illness coverage for all Americans, regardless of age. Under our plan, the Federal and State governments would work together to promote the formation of what are known as risk pools within the States—helping to provide insurance for those who could not otherwise obtain insurance. We will encour-

age the States to use their authority to require catastrophic coverage as part of the health insurance available through employers. And we'll work with Congress to change certain requirements, giving the States more flexibility in the management of Medicaid programs. And as in many matters related to health care, education is important. Under our plan, the Federal Government would work with the private sector to make widely available information about the risks, costs, and financing options of various forms of catastrophic illness insurance; and to encourage every American to plan for his health care in the future.

All of us have family, friends, or neighbors who have suffered devastating illnesses that threatened their financial security. For

too long older Americans, in particular, have faced the possibility of sicknesses that might not only wipe out their own savings but those of their families. Our proposal would make available catastrophic medical insurance for every American eligible for Medicare. It would take steps to provide catastrophic illness coverage for Americans of all ages. And it would begin the search for ways to meet the costs of long-term care. As I said a moment ago, what it all comes down to is peace of mind. And I think you will agree—it's worth it.

Until next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from Camp David, MD.

Letter to the Speaker of the House of Representatives and the Chairman of the Senate Foreign Relations Committee Transmitting a Report on Compliance With Arms Control Agreements *February 17, 1987*

Dear Mr. Speaker: (Dear Mr. Chairman:)

I am pleased to transmit the enclosed report on the adherence of the United States to obligations undertaken in arms control agreements and on problems related to compliance by other nations with the provisions of bilateral and multilateral arms control agreements to which the United States is a party.

This report, updating last year's report, meets the requirements of Section 52 of the Arms Control and Disarmament Act, as amended in the FY 1986 ACDA Authorization Bill. It was prepared by the Director of the U.S. Arms Control and Disarmament Agency in coordination with the Secretary of State, the Secretary of Defense, the Secretary of Energy, the Chairman of the Joint Chiefs of Staff, and the Director of Central Intelligence.

In previous reports to the Congress, the United States has made clear its concerns about Soviet noncompliance. These concerns remain. The United States Government takes equally seriously its own commitments to arms control agreements and

sets rigid standards and procedures for assuring that it meets its obligations. The United States has been and remains in compliance with all current treaty obligations and political commitments.

In view of the continued pattern of uncorrected Soviet violations and the increasing magnitude and threat of Soviet strategic forces, I decided on May 27, 1986, to end the U.S. policy of observing the SALT I Interim Agreement (which had expired, and which the Soviets were violating) and the SALT II Treaty (which was never ratified; which, had it been ratified, would have expired on December 31, 1985; and which the Soviets were violating). These agreements are now behind us, and Soviet allegations and the facts of Soviet compliance with regard to these agreements are therefore not discussed in this year's report. For our part, we will continue to exercise utmost restraint in our strategic force programs as we press for equitable and effectively verifiable agreements on deep reductions in U.S. and Soviet nuclear arsenals.

This report is unclassified and suitable for general release. However, a classified attachment, providing information on non-compliance by other nations with provisions of multilateral arms control agreements, is being provided under separate cover.

Sincerely,

RONALD REAGAN

Note: Identical letters were sent to Jim Wright, Speaker of the House of Representatives, and Claiborne Pell, chairman of the Senate Foreign Relations Committee.

Remarks to Business Leaders at a White House Briefing on Economic Competitiveness February 17, 1987

Well, George [Bush] and I thank you all very much, and welcome to the White House. Today—in this, the 200th anniversary year of the writing of the Constitution, and here in one of America's most historic buildings—we're gathered, yes, as leaders of government; yes, as business people; yes, as educators; yes, as scientists; yes, as all of these, but even more as Americans. We're here to take a step into America's future. We'll talk today about the 21st century. That seems like the distant future; but in the life of a person, much less the life of this still young nation, the 21st century is but a few moments away.

A child who begins kindergarten this year will graduate from high school in the year 2000. It's not too early to ask what kind of a nation that child will inherit from us. Will we give that child the best education in the world to prepare for leading our country and the world in the next century? While that child is growing up, America's industrial base will be changing. And here, if his parents find themselves in a shrinking industry, will they have the opportunity to be retrained for jobs of the future, not those of the past? And when that child grows up, will he find himself in a strong, competitive nation that is a proud leader of a fair, free, and growing world's economy? Or will he or she find themselves in one that has built walls to isolate itself and that, in its isolation, has stagnated and declined?

In the last 6 years America has once again become the economic wonder of the world, the land of promise to which people

everywhere look as a beacon of hope, freedom, and growth. We cut tax rates, and now all around the world, other nations are taking notice. We cut regulations that stifled economic growth—and here, also, other nations are following us. We've done all this, and as a result we've reignited the American flame of opportunity and created more new jobs in the last 5 years than Europe and Japan combined. Will we now prepare the way to continue this legacy of opportunity into the next decade and into the next century? These are the questions that we Americans will answer. And let me put my cards right here on the table. I have a very simple goal, and I believe all Americans share it. Call it competitiveness. Call it a quest for excellence. Call it preparing for the 21st century. In the year 2000 we want America still at the top of the charts, the front of the pack, the head of the class. Yes, in the year 2000 we want America to be number one—and climbing still for the stars.

In today's world that's going to take some doing. In the years ahead we're going to have to work harder and work better. And we're going to have to be clear from the start about what the right and wrong paths are. Like the story about Lincoln—his birthday was last week, so I thought I'd tell you a Lincoln story. [Laughter] As a young lawyer he once had to plead two cases in the same day before the same judge. Both involved the same principle of law, but in one Lincoln appeared for the defendant

and in the other for the plaintiff. Now, you can see how this makes anything above a 50-percent success rate very difficult. [Laughter] Well, in the morning Lincoln made an eloquent plea and won his case. Later he took the opposite side and was arguing just as earnestly. Puzzled, the judge asked why the change of attitude. Well, "Your Honor," said Honest Abe, "I may have been wrong in the morning, but I know I'm right now." [Laughter]

The quest for excellence that I have in mind is not just a legislative package, although legislation will play a part. It is not just another government program, although government has a role. Rather, it's a great national undertaking that will challenge all Americans to be all that they can be, to work together to seek new opportunities, to be the very best in a strong and growing international economy—an international economy that gives us both the challenge of competition and, as it grows and we grow with it, the promise of a century of prosperity ahead.

To America's business the quest for excellence will be the challenge to make products more efficiently, to embrace new ideas, better methods of management, and new technologies; yes, to make the proudest, most desirable label on more and more products and services around the world, the label that reads: "Made in America." To America's workers the challenge is to be prepared for the new jobs and new skills of the future and to prove, in the quality of their work, that the pride is indeed back. To America's educators the challenge is to prepare our students for this changing world so that they can write clearly; so that illiteracy among this great and free people becomes a thing of the past and more children read at their level skill or above; so that every high school graduate has a basic understanding of mathematics and science and knows how to work a computer; and so that every graduate knows the meaning of our sacred American heritage.

In the last 3 years Governors, mayors, school boards, and parents around the country have made quality the focus of their reforms. The challenge now is to finish the job—to make sure that by the year 2000 America has the best educational system in

the world. Yes, to all of us, the quest for excellence is a challenge to join together in looking to the new world marketplace not as a source of fear and uncertainty, but in the way Americans have always looked at their challenges: as a great opportunity, as another open frontier for the American spirit, as America's great next adventure.

As America moves toward the 21st century, government also has a role in our great national quest for excellence. We have already taken giant steps. Our tax reform has given us the most incentive-oriented tax system in the world. And already other governments are asking themselves what they can do to catch up with us. Perhaps you saw a newspaper account recently about a German entrepreneur who has built three factories here in America and is building another. These factories make products for export to Latin America and the Far East. Explaining why he was building export factories in America rather than Germany, he told the reporter that the difference was taxes. Because of taxes, he said: "In the United States, I have to earn \$1.8 million in order to put \$1 million in my own reserves. In Germany I have to earn \$4 million to do the same thing." But as much as our tax reform has done to make America more competitive, there is still more to do. This week I'm sending to Congress proposed legislation to ensure that government will contribute its share to America's quest for excellence. Ours is a diverse package, as diverse as the challenge before us. But diverse though it is, it has one central purpose, and that is to make certain that in the years ahead the door of opportunity and excellence is open to all Americans.

For America's workers this package will include new efforts for job retraining. Properly prepared workers in our declining industries can be the competitive edge for our rising industries. They are skilled; they know how to perform in the industrial workplace. They have the discipline and dedication to quality that America will need in the marketplace of the next century. We must not let this national treasure go to waste. And that's why our job retraining proposal will target dislocated workers. These are the workers who, in the past,

made America the world's leader in industry after industry. We must never forget that they're the key to our future, as well. Our package also includes training funds for young people who come from economically disadvantaged backgrounds. America will not be able to compete in the world of the next century if some of us are permanently barred from the team. We need every American lending a hand, and that includes those who today are caught in the poverty trap. We must find ways to recruit these people for America's team. They deserve the same opportunities all Americans deserve. And we all need them joining in, grabbing the lifeline with us, and helping to pull America into the future.

America's most competitive edge has always been our scientific and technological creativity. In many respects, we invented the modern world. The light bulb, the telephone, the airplane, the mass production automobile, the computer, the transistor, the semiconductor—the list of American inventions that we take for granted is endless. Today we are still a leader in innovation. In communications technology, for example, one expert has put it like this: "The Americans are light years ahead of everyone." But still we aren't doing enough. In too many industries we have developed the technology, only to see others bring it to the marketplace. Our legislative package will help make the journey from the American laboratory to the American factory, to the world market, a shorter journey and a more certain one.

Part of our focus will be on Federal laboratories, including defense laboratories. These are among the largest and most productive centers of scientific research in the world. But in the past there have been set up roadblocks between what was going on inside and the commercial world outside. That will change. We will encourage scientists working in Federal laboratories to patent, license, and commercialize their research. Federal agencies will establish royalty-sharing plans with their scientists. We will recruit science entrepreneurs to act as conduits between the laboratories and business, venture capitalists and universities. We will also encourage exchanges between Federal laboratories and private industry, so

each can benefit from the other. We will encourage our defense and space programs to continue to spin off technology to industry and to do it even faster than they have. And we will double the budget of the National Science Foundation over the next 5 years.

We're also proposing to establish a number of science and technology centers around the Nation. These will be on university campuses. They will focus on those areas of science that directly contribute to America's economic competitiveness. They'll be homes to long-term research in areas such as robotics for automated manufacturing and microelectronics, new material processes, and biotechnology. They will help to ensure that when it comes to technological leadership, America in the next century will continue to have the inside edge.

And finally, we cannot retain our technological leadership unless our children have the basic knowledge of science and technology that the 21st century will demand. And that's why we will begin a campaign for scientific literacy. It will include internships in Federal labs for promising students and aid to schools on all levels to buy scientific equipment and computers. We will also make available the expertise of top Federal scientists to help develop textbooks, software, and lab equipment for our schools and universities. America's natural resources are precious beyond measure, but let us never forget that a greater and more important resource than even these is in the minds of our young people. Our program will help ensure that these young minds are ready for the 21st century.

But all the science and all the education in the world will do us little good if the markets of the world are shrinking. We must continue to promote the expansion of world trade. History has taught us that we cannot become more competitive or enjoy major job growth by restricting imports across the board. In 1930 the United States imposed major new tariffs, against the advice of most economists. Three years later the unemployment rate stood at 25 percent. Free trade is one of the few things almost all economists agree on.

There is developing a great bipartisan consensus that the answer to our trade problems is more trade. As House Speaker Jim Wright said recently, "The solution lies in opening markets to American goods, not in closing our markets to foreign goods." But if the greater world trade is to be the launching pad for economic growth in the 21st century, trade must be a two-way street. In the world of the forties, fifties, and sixties, America was the dominant economic power. We sought to lead the world by example out of the devastation of war through growth-oriented, free trade policies. We've had much success. Europe and Japan have rebuilt. Many developing countries have experienced strong growth. Our fundamental belief in the power of the market remains unquestioned. We will not sit idly by when other countries close their markets to our products, subsidize their exports, or fail to trade fairly.

And that's why, these last 6 years, we've taken the strongest actions in American history against unfair trade practices abroad. And that's why we will be asking Congress to strengthen the protections we give patents, copyrights, and trade secrets, so America's intellectual property will be clearly staked out with a sign that reads: No Trespassing. And that's why I will be asking Congress for authority to negotiate a new round of trade agreements, to bring down the barriers to world trade all around the world.

Yes, we must help those whom a changing economy has displaced, but we must also never forget that what's at stake here is America's future—the future for ourselves, our children, and their children into the next decade and into the next century. How America will approach the 21st century—that's what we're talking about today, America's future. This will be a great national discussion of our future, a kind of great national tent meeting that they used to call a Chautauqua. And together we're going to be part of it. I'm going to be traveling to schools and factories, to laboratories and workplaces, all across America. Our great national quest for excellence must begin with each of us thinking and talking about what we can do.

But today let me set out a few simple

goals for the year 1990 and for the year 2000. I repeat my challenge that by the year 1990 SAT scores should make up half the ground that they have lost. And by the year 2000 let's have them exceed the 1963 record high. By the year 1990 let's reduce by one-quarter the 40 percent of 13-year-olds below reading at skill level. And by the year 2000 let's have everyone reading at their skill level. And most important, by 1990 let's resolve to have created 8 million more jobs in America. And by the year 2000 let's make it 20 million.

I have lived through a third of American history. I've seen war and depression, peace and prosperity. I've seen the great spirit of the American people build industries and transform the world. But all this time, I have never seen our land hold so much promise as it does today. We are strong as only a free people can be strong. There flows within each of us the heroic blood of pioneers and immigrants. And the greatest adventure men or women can want awaits us: the adventure of a new century. That century can bring untold wealth, peace, and happiness, not only to ourselves but to all mankind. We can lead the way. Our quest for excellence can become the entire world's. Our search for greater competitiveness can be copied in every land. And from this great competition will be built a growing world economy—the one sure answer to hunger and poverty and the one sure guarantor of a bright future for ourselves and the world.

I've asked you here today to join me in that quest. Two hundred years ago a small group of Americans gathered in Philadelphia to draft a new order for the ages—the U.S. Constitution. We look back on them now with reverence, because all that we as Americans have been blessed with since that steamy Pennsylvania summer could not have happened without their vision and their courage. They overcame sectional rivalries and parochial interests. They looked to the future not only of our nation but of all mankind, not only for their lifetimes but for centuries to come.

And that is the challenge before us today. As we make America strong, as we work for a free and fair economic constitution for the

industrial world, as we improve our education, science, and training, we will be setting ourselves and the entire world on a course to a brighter America. And generations will look back on us, as we do on the Founding Fathers, and give thanks in the

name of God.

Thank you, and God bless you.

Note: The President spoke at 2:21 p.m. in the East Room at the White House.

Appointment of Henry A. Duffy as a Member of the National Commission for Employment Policy

February 17, 1987

The President today announced his intention to appoint Henry A. Duffy to be a member of the National Commission for Employment Policy for a term expiring September 30, 1989. He would succeed Kenneth M. Smith.

Since 1983 Mr. Duffy has been president and chief executive officer of the Air Line Pilots Association, Intl., in Washington, DC. Previously he was a professional pilot with Delta Air Lines, 1963–1983. Mr. Duffy is the chief U.S. delegate to the International

Federation of Air Line Pilots Associations, an organization representing civil airline pilots of 64 nations. He serves on the executive board of the AFL–CIO maritime trades department, and he is a member of the Services Policy Advisory Committee, Office of the U.S. Trade Representative.

Mr. Duffy graduated from the University of Miami (B.A., 1956). He is married, has three children, and resides in Lithonia, GA, and Washington, DC. Mr. Duffy was born September 27, 1934, in Norfolk, VA.

Nomination of Douglas B.M. Ehlke To Be a Member of the Occupational Safety and Health Review Commission

February 17, 1987

The President today announced his intention to nominate Douglas B.M. Ehlke to be a member of the Occupational Safety and Health Review Commission for the remainder of the term expiring April 27, 1991. He would succeed Robert E. Rader, Jr.

Since June 1978 Mr. Ehlke has practiced law in Federal Way, WA, specializing in civil litigation, labor law, and products liability. Since 1972 he has been an adjunct professor of law at the University of Puget Sound School of Law in Tacoma. Previously

he was an attorney for Weyerhaeuser Co., 1971–1978. Since 1975 he has been a member of the board of directors of Good Shepherd Home of the West, a private long-term treatment facility for multiple-handicapped individuals in Terra Bella, CA.

Mr. Ehlke graduated from the University of Idaho (B.S., 1968) and the University of Chicago (J.D., 1971). He is married, has three children, and resides in Federal Way, WA. Mr. Ehlke was born November 18, 1945, in San Francisco, CA.

Nomination of Ruben F. Mettler To Be a Member of the President's Commission on Executive Exchange

February 17, 1987

The President today announced his intention to nominate Ruben F. Mettler, of Ohio, to be a member of the President's Commission on Executive Exchange for a term of 2 years.

Since 1977 Dr. Mettler has been chairman of the board and CEO of TRW, Inc. (formerly Thompson Ramo Wooldridge, Inc.). Dr. Mettler has served in the following positions with TRW, Inc.: president, 1969–1977; assistant president, 1968–1969;

and executive vice president, 1965–1968. Previously, he was president of Space Technologies Lab, 1962–1965; and assistant general manager, guided missile research division, Ramo-Wooldridge Corp., 1955–1958.

He graduated from the California Institute of Technology (B.S., 1944; M.S., 1947; Ph.D., 1949). Dr. Mettler is married, has two children, and resides in Lyndhurst, OH. He was born February 23, 1924, in Shafter, CA.

Proclamation 5609—American Red Cross Month, 1987

February 17, 1987

*By the President of the United States
of America*

A Proclamation

Few events humble men more than natural disasters. Last year in the United States alone, hurricanes, floods, and tornadoes killed 290 people and destroyed property valued at \$15 billion. Working to mitigate the human toll of that devastation were nearly 90,000 American Red Cross disaster relief workers—95 percent of whom were volunteers—helping the victims first to survive, and then to rebuild their lives.

Disaster assistance speaks to the deepest and purest ideals of the Red Cross movement. It is the reason the Red Cross was formed more than a century ago, and it remains the truest example of its continuing commitment to service.

The American Red Cross has responded to recent disasters swiftly and magnanimously, as it always has. Since September, nearly a dozen major disasters—including eight large-scale floods in the South and Midwest—have pressed the American Red Cross into action. But disaster is not the only spur. Social services, health and safety programs, blood and tissue efforts, and international activities all galvanize our Red

Cross into service.

The organization continues to lead the way in making the Nation's blood supply as safe as possible. It recently introduced testing to reduce post-transfusion non A, non B hepatitis, following up its 1985 implementation of HTLV-III testing for AIDS. It also launched its Look Back initiative, a program that notifies people who have been transfused with blood or blood components from donors who later tested positive for the AIDS antibody. Finally, the American Red Cross undertook a massive AIDS public education effort to spread the facts about the disease.

The American Red Cross continues to train millions of students in first aid, cardiopulmonary resuscitation, water safety, and small craft operation. It maintains vital communication services to the Nation's military through a network of Red Cross posts at 277 domestic and overseas military installations. Every 11 seconds, the Red Cross helps someone in our Armed Forces or a member of a service family. Last summer, the Red Cross formed the National Bone Marrow Donor Registry, giving new hope to thousands of patients with life-threatening blood diseases. Finally, the American Red Cross continues to aid for-

eign disaster victims. Its response to the October 1986 earthquake in San Salvador included cash, goods, and staff services valued at more than half a million dollars. Work still goes on in the aftermath of the terrible September 1985 earthquake in Mexico City, where Red Cross workers from around the world are helping the victims to rebuild.

No one can predict when the next river will flood or the next storm will hit. No one can foresee the next threat to the Nation's health. What *is* predictable is that we will face such threats and emergencies, and that the American Red Cross will be there to offer help and hope.

Now, Therefore, I, Ronald Reagan, President of the United States of America and Honorary Chairman of the American Na-

tional Red Cross, do hereby proclaim the month of March 1987 as American Red Cross Month. I urge all Americans to continue to give blood, to volunteer their time whenever possible to assist in this great service, and to give generous support to the work of the American Red Cross and its local chapters.

In Witness Whereof, I have hereunto set my hand this seventeenth day of February, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:55 a.m., February 18, 1987]

Nomination of James H. Webb, Jr., To Be Secretary of the Navy *February 18, 1987*

The President today announced his intention to nominate James H. Webb, Jr., to be Secretary of the Navy. He would succeed John F. Lehman, Jr.

Since April 1984 Mr. Webb has been serving as Assistant Secretary of Defense for Reserve Affairs. Mr. Webb has been a lecturer and author on the topics of military manpower, veterans issues, politics, and the Vietnam war. He was nominated for a Pulitzer Prize, and he received an Emmy Award from the National Academy of Television Arts and Sciences for his coverage of the U.S. Marines in Beirut for the McNeil-Lehrer News Hour in 1983. Mr. Webb served as both assistant minority counsel

and as the minority counsel for the House Veterans' Affairs Committee, 1979-1981; and he was a visiting writer at the U.S. Naval Academy, where he taught literature and lectured, 1979. He served with the 1st Battalion, 5th Marine Regiment in Vietnam as a rifle platoon and company commander, earning the Navy Cross, the Silver Star, two Bronze Star medals for valor, and two Purple Hearts.

Mr. Webb graduated from the U.S. Naval Academy (B.S., 1968) and Georgetown Law Center (J.D., 1975). He is married, has four children, and resides in Arlington, VA. Mr. Webb was born February 9, 1946, in St. Joseph, MO.

Appointment of Nancy J. Risque as Assistant to the President and Cabinet Secretary

February 18, 1987

The President today announced his intention to appoint Nancy J. Risque to be Assistant to the President and Cabinet Secretary. She will succeed Alfred H. Kingon.

Since June 1986 Ms. Risque has been vice president with Russo Watts and Rollins, Inc. Ms. Risque has 20 years experience in private and public sector policy development and issue management. Previously, she was Deputy Assistant to the President for Legislative Affairs, serving as a member of the President's senior legislative management team, 1985-1986; Special Assistant to the President for Legislative Affairs and Deputy Director of the Office of Legislative Affairs, 1983-1985; Special Assistant to the President for Legislative Affairs, 1981-1982. She was designated a member of the U.S. delegation to the World Conference to Review

and Appraise the Achievements of the United Nations Decade for Women, which was held in July 1985 in Nairobi, Kenya. Ms. Risque has also been a member of the President's Interagency Committee on Women's Business Enterprise.

Before joining the White House, Ms. Risque was a government affairs representative for the Standard Oil Co. of Ohio; prior to that, she spent a year as the energy affairs representative for the American Paper Institute. Ms. Risque worked as an assistant to the Assistant Secretary of Commerce for Tourism during the Ford administration, and earlier as a publicist for the public relations firm of Robert A. Marston and Associates of New York. She has a bachelor of arts degree from Radford College and resides in Virginia.

Informal Exchange With Reporters Prior to a Meeting With Prime Minister Yitzhak Shamir of Israel

February 18, 1987

Q. Mr. President, your aides seem to disagree on whether you approved the Israeli arms shipments to Tehran before they took place?

The President. Helen [Helen Thomas, United Press International], besides reminding you this is a photo opportunity and no questions—but I'm not going to take any questions on that situation until the Tower commission's report is turned in to us.

Q. Then you're going to take questions?

The President. It's possible.

Q. Are you going to fire Regan, or is he talking to Mrs. Reagan, or is she talking to him? [Laughter] There's a report in the paper today that they're not speaking.

The President. Oh, for heaven sakes!

Q. Not true?

The President. No, not true, and nobody's getting fired.

Q. Because of the Israelis' role in this

affair, why are you and Mr. Shamir not talking about the Iran affair, sir?

The President. I didn't say what we're talking about. I just said, well, I wasn't going to talk about—[laughter]—

Q. Well, we were told it wasn't even going to come up for discussion.

The President. I think that we have a great many things on the agenda here that are of great importance to both our countries.

Q. Do you both agree on what Israel's role in this matter was?

The President. You're asking questions, and I just said we're not going to take any.

Q. Mr. President, you said that mistakes had been made. Could you tell us who made those mistakes in the Iran policy?

The President. I've told you—there will be no answers on questions having to do

with that until the Tower commission has submitted its report next week.

Q. Mr. President, you said nobody is going to get fired. Will Mr. Regan be staying on as your Chief of Staff?

The President. Well, this is up to him. I have always said that when the people that I've asked to come into government feel that they have to return to private life, that's their business and I will never try to talk them out of it.

Q. Is that a yes or a no, sir?

The President. That's a no-answer, that's not an answer.

Q. Is it lonely at the top? [*Laughter*]

The President. Now, we'll see if there's two or three. Was this the first wave? Now we'll find out if there's going to be two or three. I'm always the last to know. I thought I knew. [*Laughter*]

Q. Well, here's one you can answer. How are you feeling?

The President. Just fine. That I'll answer any time.

Q. Mr. President, do you and Mr. Shamir agree on the international conference in the Middle East?

The President. I'm just not going to take questions. [*Laughter*]

Q. Have you started pumping iron again?

The President. Boy, I hate to say that I'm not answering questions at that. Started yesterday. [*Laughter*]

Q. Mr. President, you have said you would not answer questions until after the Tower board report. Will you after the board report hold a news conference, take questions on it?

The President. Well, we'll be making announcements on what we're going to do once that report is with us.

Q. Do you expect the Tower board report to be very tough, Mr. President? What's your expectation of it?

The President. Wait and see.

Reporters. Thank you.

Note: The exchange began at 11:35 a.m. in the Oval Office at the White House.

Remarks Following Meetings With Prime Minister Yitzhak Shamir of Israel

February 18, 1987

The President. It's been a pleasure to have an old friend, Prime Minister Yitzhak Shamir of Israel, back to the White House. His visit symbolizes the close and special relations between our countries. His visit has provided an opportunity for in-depth discussion, and I'm pleased to report our discussions went well. High on our agenda, of course, was Middle Eastern peace and our search for a constructive approach to Arab-Israeli reconciliation. We talked about the dangers that threaten Israel and its neighbors and efforts being made to bring a degree of stability to that troubled region. Measurable progress, we both agree, is vital. Peace cannot be built in an environment where there is no hope.

In our discussions we agreed, again, that the road to peace lies through bilateral negotiations between Israel and its neighbors,

including representative Palestinians. We reviewed the diplomatic discussions over the last 2 years which we've conducted with Jordan, Egypt, and Israel—all of whom share a strong desire to end the conflict that has plagued the Middle East. Our goal now is setting in motion a process accepted by Israel and its neighbors which can lead to a comprehensive peace settlement. We believe this requires direct bilateral negotiations. Any reasonable means of including an international conference should be considered. But the United States remains ready to be an active partner in any serious peace effort.

Prime Minister Shamir and I discussed Iran. I underscored our opposition to Iran's use of force, terrorism, and expansionism. In discussing Iran and other regional issues, the Prime Minister and I agreed on the

importance of looking to the future, instead of dwelling on the past. We also went over our countries' strong and vital bilateral relationship and the broad scope of our cooperation. Both our governments face tight budgets. I assured Prime Minister Shamir that we will continue our steadfast support for Israel's own efforts to ensure its security and economic well-being. In that regard we have designated Israel, with other countries, a major non-NATO ally, for purposes of cooperation in certain aspects of military research and development. Finally, in our discussions we reaffirmed our concern about the plight of Soviet Jewry. We took note of recent releases, but are waiting to see the gates truly opened for Jewish emigration.

The United States and Israel share many common values and traditions. We have developed a warm friendship that encompasses close mutual and strategic cooperation. This relationship, in which each gives special consideration to the other's interests, strengthens us both. It's unshakable, and we're proud of it. As we look to the future, the Prime Minister and I are committed to the close cooperation long enjoyed by the United States and Israel. It is an honor to have Prime Minister Shamir with us to reaffirm the solid bond of affection between our countries and our peoples.

The Prime Minister. Mr. President, it is with profound satisfaction that I stand here today, as we give expression to the abiding and deep friendship between our two countries. Mr. President, America under your leadership stands tall and upright despite transient difficulties. You continue to discharge your great responsibility as the leader of the free world. Without strong United States leadership, mankind could be exposed to very grave peril in the hands of the forces of evil and totalitarianism.

Our two countries share values, perceptions, and goals that unite us in thought and in deed. Since my last visit as Prime Minister, we have given more substance to agreements we reached then in regard to strategic cooperation and the free trade area. Now your administration has moved one more step forward by giving a new dimension to our relations. I refer to your decision to accord Israel the status of a

major non-NATO ally. We have been among the first to join your Strategic Defense Initiative, and we hope to expand our cooperation in this program. We've also just concluded an agreement enabling the establishment of a relay station for the Voice of America in Israel. Both projects are a reflection of our continuing support of America's defense and advancement of freedom.

In our talks today we explored the prospects of advancing the peace process in the Middle East. While this is not an easy task, it is a noble goal to which we are committed. On the foundations of the Camp David accords—which remain the only agreement, therefore, only viable cornerstone for peace in the area—we renew the call to our neighbors to join us in direct negotiations for the obtainment of peace between us. Egypt, our partner to the Camp David agreement, could play a significant role by encouraging our other neighbors to follow her example and enter into face-to-face talks with us without preconditions.

Mr. President, the struggle for the freedom and repatriation of Soviet Jewry is by no means over. We must press on with all vigor to persuade the Soviet authorities to let all our people return to their ancient homeland, the land of Israel. I take this opportunity of expressing our gratitude to you, Mr. President, for the great effort you made for the humanitarian cause of our brothers and sisters in the Soviet Union. Their happiness at coming home to Israel and experiencing freedom and democracy is their and our tribute to you.

Mr. President, this year, 1987, records two events of great significance in the life of our two nations: You will celebrate the bicentennial of the United States Constitution, which is regarded as the model for truth, civil liberties, and democratic government. We are marking the 90th anniversary of the birth of our national liberation movement, Zionism, which restored us to our ancient land and renewed our national independence. Both events have enriched the quality of our lives. And they are the root of our present relationship, joint efforts; our dreams; and our confidence in the future.

Thank you, Mr. President.

Note: The President spoke at 1:30 p.m. on the South Lawn of the White House. Earlier, the President and the Prime Minister

met in the Oval Office and then had lunch in the Residence.

Statement on the Death of Bryce N. Harlow *February 18, 1987*

With the passing of Bryce N. Harlow the Nation has lost one of its finest public servants. Recognizing the need for improved communication between the executive and legislative branches in the era of the modern Presidency, Mr. Harlow founded the Congressional Liaison Office of the White House and served as its Director under Presidents Eisenhower and Nixon.

He was trusted by Presidents and Members of the House and Senate on both sides of the aisle. He was a brilliant writer and

eloquent speaker whose knowledge of the intricacies of government served the Nation admirably for nearly four decades. He was an insightful architect of public policy whose contributions have strengthened our democracy's political process.

Nancy and I, my administration, and the Republican Party have lost a great friend and a wise counselor. We extend our deepest sympathies to his family. He will be sorely missed.

Statement on the Lifting of Economic Sanctions Against Poland *February 19, 1987*

Five years ago I asked all Americans to light a candle in support of freedom in Poland. During that Christmas season of 1981 candles were lit in millions of American homes. We had confidence that the spirit of freedom would continue to shine in the darkness that martial law had brought to that brave country. As Americans, we were showing solidarity with Solidarity.

Symbolic gestures were not enough. Economic and other sanctions were imposed on Poland in response to the repression that descended on the Polish people as a result of martial law. Our message was that America would not passively stand by while a grand experiment in freedom was brutally smashed in Poland. If the Polish Government wanted a decent relationship with the United States, we made it clear they would have to lift martial law, release the political prisoners, and enter into a real political dialog with Polish society.

Today, more than 5 years later, the light of freedom continues to shine in Poland.

The commitment and sacrifice of hundreds of thousands of Polish men and women have kept the flame alive, even amid the gloom. In 1983 martial law was lifted and thousands of political prisoners have been freed in a series of amnesties. Since the final amnesty last September, no one has been arrested on political charges in Poland. Yet there is still far to go. The threat of arrest still hangs over those who seek their freedom. The right to genuinely independent trade unions is still stifled. Independent political activity continues to be repressed by various governmental measures. National reconciliation remains a dream, a goal for the future, rather than a reality of today.

I continue to believe, as do the Polish people, that it is a possible dream. The Church in Poland has greeted the major amnesty of political prisoners last September as a significant step by the Polish Government. In response to that amnesty, we initiated a step-by-step process of expanding

our dialog with the Government of Poland. In our dealings with Polish authorities, we have made one point clear: The continuation of better relations between our countries, and their further improvement, will be possible only if we see maintained the spirit and principle of the amnesty and a reliance on dialog and respect for human rights. Only through genuine and meaningful reconciliation can the plight of the Polish people be alleviated. We will be watching to see that further steps are taken toward national reconciliation in Poland and that the progress made is not reversed.

Significantly, the leaders of Solidarity and of the Catholic Church in Poland agree that this is the right course for us to take. They have now urged us to lift our remaining economic sanctions in order to encourage further movement in the right direction. In considering this question, I have drawn on a broad cross section of views. We have been in touch at the highest levels with the Polish Government, with the Church, and with Solidarity. We have also consulted with our allies. After careful review, I have decided that the economic sanctions imposed in December 1981 and October 1982 should be rescinded, and I am accordingly restoring most-favored-nation tariff treat-

ment for Poland and lifting the ban on Poland's eligibility for official U.S. credits and credit guarantees. We have always worked closely with our allies on issues concerning Poland, and they have sent messages of support for this step forward.

I am honored by the expression of concern from distinguished Members of Congress, leaders of the Polish-American community in this country, and Solidarity. Together we underscore the heartfelt concern of our citizens about Poland. Let no one doubt our brothers and sisters who struggle to build a freer and more humane Poland, or our resolve to stand by them. As it was in 1981, freedom is precious to us. The slogan of the Polish independence struggle of the last century was: "For Your Freedom And Ours." That is our slogan, too. And it is more than a slogan; it is a program of action.

Today is a first step, a big step. Our relations with Poland can only develop in ways that encourage genuine progress toward national reconciliation in that country. We will be steady. We will be committed. The flame that burns in the hearts of the Polish people, a flame represented by the candles we lit in 1981, that flame of justice and liberty will never be extinguished.

Executive Order 12583—Food for Progress *February 19, 1987*

By the authority vested in me as President by the laws of the United States of America, including the Food for Progress Act of 1985 (section 1110 of the Food Security Act of 1985, Public Law 99-198; 7 U.S.C. 1736o) ("the Act") and section 301 of Title 3 of the United States Code, and in order to provide for the delegation of certain functions under the Act, it is hereby ordered as follows:

Section 1. (a) The function vested in the President by section 1110(b) of the Act of entering into agreements with developing countries is delegated to the Director of the United States International Development Cooperation Agency, and this function may

be redelegated to the head of any other agency. This function shall be exercised in accordance with section 112b of Title I of the United States Code and applicable regulations and procedures of the Department of State.

(b) The Director of the United States International Development Cooperation Agency shall, in accordance with Section 3 of this Order, transmit to the Congress all reports required by the Act concerning such agreements.

Sec. 2. The functions vested in the President by section 1110(f)(2) of the Act of waiving any minimum tonnage requirements are delegated to the Secretary of Ag-

riculture, who shall exercise this function in accordance with policy guidance provided by the Food Aid Subcommittee of the Development Coordination Committee.

Sec. 3. In order to ensure that the furnishing of commodities under the Act is coordinated with and complements other United States foreign assistance, the exercise of all functions delegated by this Order shall be coordinated through the Food Aid Subcom-

mittee of the Development Coordination Committee.

RONALD REAGAN

The White House,
February 19, 1987.

[*Filed with the Office of the Federal Register, 2:30 p.m., February 19, 1987*]

Proclamation 5610—Restoration of the Application of Column 1 Rates of Duty of the Tariff Schedules of the United States to the Products of Poland

February 19, 1987

*By the President of the United States
of America*

A Proclamation

1. On October 27, 1982, by Proclamation No. 4991, I suspended the application of column 1 rates of duty of the Tariff Schedules of the United States (TSUS) to the products of Poland. This followed from my determination that the Government of the Polish People's Republic had failed to meet certain import commitments under its Protocol of Accession to the General Agreement on Tariffs and Trade (19 UST 4331), and that the Polish martial law government had increased its repression of the Polish people, leaving the United States without any reason to continue withholding action on its trade complaints against Poland.

2. Since issuance of that Proclamation, the Polish Government has taken steps that lead me to believe that Poland should be given a renewed opportunity to address its trade obligations with the benefit of most-favored-nation tariff treatment.

3. The President may, pursuant to his constitutional and statutory authority, including Section 125(b) of the Trade Act of 1974, as amended, terminate in whole or in part Proclamation No. 4991.

4. I have determined in this case that the national interest requires expeditious action.

Now, Therefore, I, Ronald Reagan, President of the United States of America, by the authority vested in me by the Constitution and the statutes of the United States, including, but not limited to, the Trade Expansion Act of 1962, as amended, and the Trade Act of 1974, as amended, do hereby proclaim as follows:

1. Proclamation No. 4991 of October 27, 1982, is hereby revoked.

2. General Headnote 3(d) of the TSUS is modified:

(a) by deleting "or pursuant to Presidential Proclamation No. 4991, dated October 27, 1982" and

(b) by deleting "Polish People's Republic" from the list of countries therein.

3. This Proclamation shall take effect with respect to articles entered, or withdrawn from warehouse for consumption, on or after the date of publication of this Proclamation in the *Federal Register*.

In Witness Whereof, I have hereunto set my hand this 19th day of February, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 4:21 p.m., February 19, 1987*]

Message to the Congress Transmitting Proposed Trade, Employment, and Productivity Legislation *February 19, 1987*

To the Congress of the United States:

I am pleased to transmit today for your immediate consideration and enactment the "Trade, Employment, and Productivity Act of 1987" (the Act). The intent of this proposal is simple: to assure American competitive preeminence into the 21st century. The proposal itself is wide ranging, designed to help American workers, including those who are not yet full participants in our economy, to reach their highest potential and to permit American business to better marshal our Nation's resources. I am convinced that enactment of my proposal will allow American workers and business to meet world competition head-on, and win.

The initiatives in the Trade, Employment, and Productivity Act are under the jurisdiction of a number of different congressional committees. These initiatives all have a common element: they will improve our Nation's productivity and competitiveness. I strongly urge the Congress to consider the Act in its entirety. Failure to enact all of the initiatives would be akin to sending the American worker into the international arena without the proper tools.

The Act has five titles dealing with increasing investment in human and intellectual capital; promoting the development of science and technology; better protecting intellectual property rights; bringing about essential legal and regulatory reforms; and improving the international economic environment. Many of the statutory initiatives I am proposing will be complemented by administrative actions.

Title I of the Act is the Investment in Human and Intellectual Capital Act of 1987. Education and training are truly investments. We must prepare ourselves for the future by taking the opportunity to acquire the talents and skills needed to adapt to the dynamics of the marketplace. To excel in the 21st century, our society must continue the necessary reforms for excellence in our schools. A major part of this

effort must include reauthorizing Chapters 1 and 2 of the Education Consolidation and Improvement Act to target resources on the neediest schools and youngsters; foster greater innovation, experimentation, and parental choice; build accountability into the program; and provide incentives and rewards for success. I am also proposing amendments to the Bilingual Education Act to give school districts greater flexibility in designing and operating programs that address the particular educational needs of limited English proficient students. But Federal legislation can only accomplish so much. To complement our legislative initiative, I charged Secretary Bennett with working with our Nation's governors to continue identifying what works in American education and to continue seeking places of excellence that will serve as models. We must improve our children's basic skills—reading, writing, and computation; raise standards in elementary and secondary schools; and instill in our children productive habits and sound values. Together we must, by the year 2000, dramatically reduce illiteracy.

Investment in human capital must be an ongoing process. Training and retraining of the Nation's workforce are a critical part of that process. I am proposing a new \$980 million worker readjustment program that will help some 700,000 dislocated workers each year through counseling, job search assistance, basic education, and job skill training. This program will help assure that we will not lose the valuable work experience and talents of workers who are displaced from their jobs. We must provide training and adjustment opportunities to these workers early—before they exhaust unemployment benefits. Another potential source of skills for our Nation is the large number of economically disadvantaged Americans who are not now part of the mainstream of American economic life. To tap this important resource, I am proposing two interrelated initiatives for recipients of

Aid to Families with Dependent Children (AFDC). The first is the AFDC and Summer Youth Employment and Youth Training program, which will allow States and localities to use money now allocated for summer jobs for year-round remedial skill training and education for AFDC youth. The funding for the program will be increased to \$800 million. The second is a new employment and training program in AFDC called Greater Opportunities Through Work (GROW). GROW will encourage teenage parents and children who have not completed high school to stay in or return to school. Older AFDC recipients will participate in employment and training activities, including remedial education, designed to improve their capacity to support themselves and their families. I am also proposing to give States greater flexibility in developing comprehensive approaches to the problems of the unemployed by decentralizing authority, financing, and responsibility for administering the Unemployment Insurance and Employment Service programs.

Title II of the Act is The National Science Foundation (NSF) Authorization Act, which will authorize appropriations for the NSF for a 5-year period, with a doubling of our budgetary commitment. I will also be taking a number of administrative actions that will make Federal R&D spending more effective, including establishing university-based science and technology centers, which will focus on fundamental science that directly contributes to our Nation's economic competitiveness. I am also creating a private/public Technology Share program at Federal laboratories; initiating a People-to-People Exchange program to transfer knowledge between Federal laboratories and industry and academia; and issuing an Executive order to improve U.S. industry and academia access to the Federal science and technology enterprise. The NSF will work with the Department of Education and State and local governments to assure that our children have the basic scientific literacy needed for the 21st century. I have also directed the Department of Defense to accelerate its efforts to "spin off" technologies to the private sector. To assure continued American leadership in the field

of high energy physics, the Secretary of Energy will embark on the siting and construction of the Superconducting Super Collider—a 21st century version of a linear accelerator—that will help us understand the very nature of matter.

In addition, we are interested in exploring with the Congress and industry representatives measures that will provide additional incentives for American business to advance its technology and research and strengthen our international position in the world marketplace. This could include extending the current R&D tax credit beyond its expiration at the end of 1988; making it permanent; increasing the credit rate beyond the current 20 percent; and extending or increasing the current 50 percent automatic apportionment of R&D expenditures between domestic and foreign income and making it permanent. We look forward to discussions with the Congress on these and other possible approaches in an effort to ensure stability, certainty, and appropriate incentives in this vital area.

To continue to generate ideas, innovation, and invention, we must ensure that inventors are rewarded for their efforts. This can be done by protecting the rights of inventors to the economic rewards for their efforts. Title III of the Trade, Employment, and Productivity Act is The Omnibus Intellectual Property Rights Improvement Act of 1987. I am proposing a series of badly needed changes, including omnibus intellectual property reform and a technological solution to the potential problem of unauthorized copying of copyrighted material on digital audio tape recorders. We will also seek to join the Berne Convention and gain copyright relations with twenty countries with which we currently have none.

I am also proposing to broaden the statutory definitions of trade secrets and confidential commercial information under the Freedom of Information Act (FOIA) to permit Federal agencies to withhold information if disclosure would be harmful to commercial interests. In addition I will issue an Executive order to better protect business confidentiality under the FOIA by giving business the opportunity to object to the release of commercial information sub-

mitted to the government if release would cause competitive harm.

Title IV of the Act is The Legal and Regulatory Reforms Act of 1987. Outmoded rules and regulations and self-imposed disincentives place us at a disadvantage in the global marketplace. We must pare down the unnecessary costs that American business faces while continuing to protect worker safety and maintain public health and safety standards. I am proposing statutory reforms to reduce the costly product liability spiral, to amend our antitrust laws to reflect the dynamics of world trade, and to deregulate surface transportation (including termination of the Interstate Commerce Commission) and the pricing and transportation of natural gas, including repeal of demand restraints in the Fuel Use Act. I am also proposing oil pipeline deregulation and repeal of corporate average fuel economy standards.

This bill will implement the recommendations of the Vice President's Task Group on Regulation of Financial Services to reform the Federal financial services regulatory structure. I have also asked Vice President Bush to direct the Task Force on Regulatory Relief to take a fresh look at the Federal regulatory structure from the competitiveness standpoint and to improve the cost effectiveness of regulations or eliminate unnecessary regulatory burdens.

I am also proposing amendments to the Export Administration Act that will expedite trade with our trusted international trading partners, reduce the processing times for license applications covering products which are widely available throughout the free world, and, in those instances which require it, allow us to move quickly and effectively to halt technology diversion that is a threat to our national security. In addition, I have asked the Cabinet to report back to me by early March on additional recommendations to improve our export control program.

As part of our mutual effort to ensure that our financial services industry is able to compete effectively, we will work closely with the Congress to enact meaningful reforms of the Nation's banking laws that will promote a freer, more open financial services marketplace, complete with proper

government supervision and disclosure. Our work should ultimately seek to remove those prohibitions that prevent greater competition between commercial banks and securities firms. We will also seek the elimination of barriers to effective interstate banking and other unnecessary impediments to an efficiently functioning, modern financial service industry. Fully competitive and economically sound financial services markets are essential not only for a vigorous, growing domestic economy, but also for a fully competitive international trade position for the United States.

In addition, I am proposing changes to the Employee Retirement Income Security Act (ERISA) to enhance the effectiveness of the private pension system in providing retirement income security for American workers. Included in this package is a paper that sets forth the Administration's proposal on funding and termination of defined benefit pension plans.

Title V of the Act is the International Economic Environment Improvement Act of 1987. I am proposing improvements to our trade laws that will enhance our ability to attack other nations' unfair trade practices and open markets abroad without forcing future Presidents to start self-defeating trade wars. Specific proposals I am submitting include: seeking negotiating authority for the Uruguay Round; amending the anti-dumping law to provide a new predictable pricing test for products from nonmarket economies; establishing a 24-month deadline on dispute settlement cases; improving the Export Trading Company Act; and establishing reciprocal access to foreign markets as an additional factor for consideration in Section 301 cases. My proposal to include reciprocity as an additional factor in Section 301 cases will complement, and be complemented by, aggressive use of Section 301 to attack unfair foreign trade practices. I am also proposing statutory changes to the Foreign Corrupt Practices Act (FCPA). While assuring that bribery to gain foreign sales is deterred through criminal sanctions, we must eliminate the uncertainties and ambiguities in the FCPA. I have also asked the Congress for the additional \$200 million for the "war chest" to combat aggressively for-

eign predatory financing practices.

These initiatives will be complemented by our efforts to improve economic and monetary cooperation on a global scale; to address the LDC debt crisis through structural reforms and private sector investment; and to aggressively use existing trade authorities. I will also be devoting considerable attention and resources to our major market opening initiatives—one bilateral, the other multilateral. We are now engaged in historic negotiations with Canada on a free trade agreement that will improve commercial opportunities on both sides of the border and serve as a model for trade liberalization on a global scale. We have succeeded in our effort to include agriculture, services, intellectual property, and investment in the Uruguay Round of GATT negotiations. We will now push for speedy and comprehensive results.

The Act is a comprehensive proposal for assuring that the Federal government does everything possible to make our workers and businesses preeminent in the 21st century. But we must remember that ultimately it is the decisions of those workers and businessmen that make the market go. We should not intrude unnecessarily upon the decisionmaking of workers or business or impede the effective operation of the mar-

ketplace.

Likewise we must avoid protectionist measures that isolate workers and business from the global marketplace. First, our workers and businessmen do not need that kind of help—we can compete without tilting the board in our favor. Second, the protectionist approach does nothing to make our country more competitive. Rather it is a short-term painkiller that will make us less competitive in the future. Protectionism will not save jobs; it will only redistribute them. Moreover, it would trap our workers in areas of our economy where we are relatively weak, instead of allowing us to grow in areas where we are strong. In a sense, protectionism is like an unfair tax—one that hurts most Americans in the interest of helping a few.

Finally, the most important thing we can do in the short term to reduce our trade deficit is to reduce the Federal budget deficit. I have submitted a Fiscal Year 1988 budget that meets the Gramm-Rudman-Hollings target without raising taxes. I urge the Congress to work with me to achieve that goal.

RONALD REAGAN

The White House,
February 19, 1987.

Appointment of John O. Koehler as Assistant to the President and Director of Communications

February 19, 1987

The President today announced his intention to appoint John O. Koehler to be Assistant to the President and Director of Communications. He will succeed Patrick J. Buchanan.

Mr. Koehler is currently serving as special adviser and consultant to the Director of the USIA. He is president of Koehler International, Ltd., an international consulting firm specializing in public affairs and communications. He retired after 28 years of service with the Associated Press in 1985. He had been a foreign correspondent in Berlin and Bonn, Germany, and later held

various executive positions in Associated Press' New York headquarters, including assistant general manager and managing director, World Services Division (1957–1977). He also served in the United States Army and United States Army Reserve (1954–1967), holding the rank of captain when discharged.

Mr. Koehler attended the Dresden Business College, San Francisco State College, and New York University. He is married and resides with his wife, Dorothy, in Stamford, CT. He was born June 11, 1930, in Dresden, Germany.

Appointment of Frank J. Donatelli as Assistant to the President for Political and Intergovernmental Affairs

February 19, 1987

The President today announced his intention to appoint Frank J. Donatelli to be Assistant to the President for Political and Intergovernmental Affairs. He will succeed Mitchell E. Daniels, Jr.

Mr. Donatelli is currently a partner with the law firm of Patton, Boggs, and Blow in Washington, DC. He served as Deputy Assistant to the President for Public Liaison (1984–1985). Prior to that he served as Assistant Administrator of the Agency for International Development (African Affairs) (1983–1984). He also served with the Reagan-Bush transition in 1980–1981, re-

gional political director for the Reagan for President Committee during the primary and general elections in 1979–1980; campaign manager for the Baker for Attorney General campaign in Texas in 1978; and executive director of Young Americans for Freedom in 1973–1977.

Mr. Donatelli graduated from the University of Pittsburgh (B.A., 1967) and American University Law School (J.D., 1976). He is married, has one child, and resides in Alexandria, VA. He was born July 5, 1949, in Pittsburgh, PA.

Nomination of Ronald S. Cass To Be a Member of the United States International Trade Commission

February 19, 1987

The President today announced his intention to nominate Ronald S. Cass to be a member of the United States International Trade Commission for the remainder of the term expiring June 16, 1987. He will succeed Paula Stern. He will also be nominated for the term expiring June 16, 1996, which is a reappointment.

Since 1981 Mr. Cass has been a professor at Boston University School of Law in Boston, MA. Previously he was an assistant professor of law at the University of Virgin-

ia in Charlottesville, VA, from 1976 to 1981. He was a law clerk to Collins J. Seitz, Chief Judge, U.S. Court of Appeals for the Third Circuit, 1973–1974. He also was a consultant to the Administrative Conference of the United States, 1980–1984.

Mr. Cass graduated from the University of Virginia (B.A., 1970) and the University of Chicago (J.D., 1973). He is married, has two children, and currently resides in Wellesley, MA. Mr. Cass was born August 8, 1949, in Washington, DC.

Nomination of Frederick Phillips Brooks, Jr., To Be a Member of the National Science Foundation

February 19, 1987

The President today announced his intention to nominate Frederick Phillips Brooks, Jr., to be a member of the National Science Foundation for a term expiring May 10, 1992. He would succeed Stuart A. Rice.

Since 1964 Dr. Brooks has been a Kenan professor of computer science at the University of North Carolina in Chapel Hill, NC. Previously he was with the IBM Corp., 1956–1965. He is a member of the National

Academy of Engineering, Institute of Electrical and Electronics Engineers, and the Association of Computer Machinists.

Dr. Brooks graduated from Duke University (A.B., 1953) and Harvard University

(S.M., 1955; Ph.D., 1956). He currently resides in Chapel Hill, NC. Dr. Brooks is married and has three children. He was born April 19, 1931, in Durham, NC.

Nomination of Alfred J. Fleischer, Sr., To Be a Member of the Board of Directors of the National Corporation for Housing Partnerships *February 19, 1987*

The President today announced his intention to nominate Alfred J. Fleischer, Sr., to be a member of the Board of Directors of the National Corporation for Housing Partnerships for the term expiring September 27, 1988. This is a reappointment.

Mr. Fleischer is managing partner, Fleischer-Seeger Construction Co. in St. Louis, MO. He is past president of the Associated General Contractors of St. Louis. He

is also management cochairman of PRIDE, an industry-wide construction association. Mr. Fleischer is a director of the Commerce St. Louis Bank and American Mutual Insurance Companies.

Mr. Fleischer graduated from Washington University (B.S., 1937). He is married and has three children. Mr. Fleischer currently resides in St. Louis, MO. He was born October 14, 1915, in St. Louis.

Executive Order 12584—President's Special Review Board *February 19, 1987*

By the authority vested in me as President by the Constitution and laws of the United States of America, including the Federal Advisory Committee Act, as amended (5 U.S.C. App. I), and in order to extend the time within which the President's Special Review Board may submit its findings and recommendations, it is hereby ordered that Section 2(b) of Executive Order No. 12575, as amended, is further

amended by deleting the phrase "February 19, 1987" and inserting in lieu thereof "February 26, 1987."

RONALD REAGAN

The White House,
February 19, 1987.

[Filed with the Office of the Federal Register, 10:46 a.m., February 20, 1987]

Proclamation 5611—National Consumers Week, 1987 *February 19, 1987*

*By the President of the United States
of America*

A Proclamation

In the bicentennial year of the Constitution of the United States, it is appropriate

that we reflect on the cherished freedoms and rights on which our open marketplace is founded. In recognition of the importance of the Constitution to American consumers in assuring us the many blessings we enjoy today, the theme for National Con-

sumers Week 1987 shall be "Consumers Celebrate the Constitution."

Two hundred years ago, a group of patriots conceived the Constitution and thereby created the political, economic, and social framework for our Nation. As a result, many precious freedoms have been guaranteed to American citizens. Inherent in these is the freedom to produce, to sell, and to buy or not to buy.

Our competitive marketplace has flourished and become the most productive in the world, providing American consumers with unparalleled choices and opportunities. The goal of the Constitution's framers was to provide a free market in goods and services marked by creativity, by invention, and by the productivity of American workers.

We can be thankful today for the wisdom of our Founders. A functioning national market for goods and services with common money, standard weights and measures, reliable legal procedures respecting honest contracts, freedom from oppressive taxation, the encouragement of invention, and a dependable postal system were commonly recognized as needs in the debates of the Constitutional Convention. The resulting document, signed in Philadelphia in 1787, so effectively addressed those concerns that the same principles guide our modern economy.

These principles of freedom and fairness are the basis for consumer rights in the marketplace: the right to choose among products, services, and suppliers; the right

to adequate information about what we buy; the right to expect that products offered for sale will conform to reasonable safety standards; the right to be heard; and the right to consumer education.

National Consumers Week 1987 is dedicated to reminding us that the exercise of these rights helps to maintain the vigor of our economic system—creating positive pressure for better products, services, and warranties—and that consumer education is a lifelong process.

Now, *Therefore, I, Ronald Reagan*, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim the week beginning April 19, 1987, as National Consumers Week. I urge consumers, businesses, educators, community organizations, labor unions, the media, and government officials to identify, emphasize, and promote activities during National Consumers Week that draw attention to the consumer's rights under the Constitution.

In Witness Whereof, I have hereunto set my hand this nineteenth day of February, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:14 a.m., February 20, 1987]

Remarks by Telephone to the 14th Annual Dinner of the Conservative Political Action Conference February 19, 1987

Mr. Keene. It's my understanding that the President of the United States is on the line and that he will have a chance to say a few words to you. Mr. President?

The President. Thank you very much. And good evening to all my friends there and all you loyal conservatives that are gathered there at dinner this evening. I know now that you're about to hear from

the Attorney General. I discovered where he was when I tried to get him on the phone. I wanted to ask him where I could find a cheap lawyer. But I'm glad he's there. It's all in fun, Ed.

I look forward to being there personally tomorrow, joining you for the largest of CPAC's 14 conferences involving 50 groups representing some 3 million Americans.

Well, I'll spend some time tomorrow outlining goals for the future. But for tonight, if you are listening, let me deliver to you my deep and lasting thanks for what you believe and for what you've done in the name of those beliefs. And we'll talk tomorrow, and it won't be by phone.

Now, enjoy the assembled stars of Broadway and the talents of my friend Yakov Smirnoff. I hope you hear this part—I know you'll all join me in congratulating him on acquiring his United States citizenship this year. *[Applause]* Now, I know you heard that. So, Yakov, welcome aboard! We're glad to have you be one of us. So, until

tomorrow then, God bless you all, and good night.

Mr. Keene. Mr. President, thank you, and we look forward to seeing you tomorrow.

The President. Okay. Good night. Thanks.

Note: The President spoke at 8:47 p.m. from the Oval Office at the White House. In his remarks, he referred to Attorney General Edwin Meese III and comedian Yakov Smirnoff. David A. Keene was chairman of the American Conservative Union. The dinner was held in the International Ballroom at the Washington Hilton Hotel.

Nomination of Richard Bender Abell To Be an Assistant Attorney General

February 20, 1987

The President today announced his intention to nominate Richard Bender Abell to be an Assistant Attorney General (Office of Justice Programs). He would succeed Lois H. Herrington.

Since 1983 Mr. Abell has served as Deputy Assistant Attorney General, Office of Justice Programs at the Department of Justice in Washington, DC. From 1982 to 1983, he was Director of the Office of Program Development, Peace Corps. On January 10, 1985, Mr. Abell was appointed by the President to the Federal Prison Indus-

tries Board of Directors, serving as representative for the Attorney General. He served in the United States Army, 1st Air Cavalry Division, 1969–1971; and he received an Air Medal, the Purple Heart, the Army Commendation Medal for Heroism, and the Combat Infantryman's Badge.

Mr. Abell graduated from the George Washington University (B.A., 1966; J.D., 1974). He is married and has three children. Mr. Abell currently resides in Alexandria, VA. He was born December 2, 1943, in Philadelphia, PA.

Remarks at the Conservative Political Action Conference Luncheon

February 20, 1987

The President. Thank you very much. Thank you.

Audience. Four more years! Four more years! Four more years!

The President. Thank you all. Thank you. As Henry VIII said to each one of his six wives—*[laughter]*—"I won't keep you long." *[Laughter]* Fellow conservatives and dear friends, it's such a pleasure to be with you again. I see so many who've served our

cause with such distinction over the years. David Keene and so many others of you deserve accolades for commitment and dedication.

What we've accomplished these last 6 years wouldn't have been possible without a solid foundation, one painstakingly laid. And much of that work was done by men and women who were content to make their contribution knowing their names

would never be enshrined, individuals who didn't make the clips when the recent documentary about the conservative movement was made. Two centuries ago the Americans who were the bulwark of the cause of liberty and independence—who backed up the Hancocks, the Jeffersons, and the Patrick Henrys—were of similar stock. And so, today let me express my appreciation to all of you. You are truly freedom's team. The going may be a little rough at this moment, but let no one doubt our resolve. [*Applause*] Thank you very much.

You know these last several weeks, I've felt a little bit like that farmer that was driving his horse and wagon to town for some grain and had a head-on collision with a truck. And later was the litigation involving claims for his injuries, some of them permanent. And he was on the stand and a lawyer said to him, "Isn't it true that while you were lying there at the scene of the accident someone came over to you and asked you how you were feeling, and you said you never felt better in your life?" And he said, "Yes, I remember that." Well, later he's on the stand and the witnesses were there—the lawyer for the other side is questioning—and he said, "When you gave that answer about how you felt, what were the circumstances?" "Well," he said, "I was lying there and a car came up and a deputy sheriff got out." He said, "My horse was screaming with pain—had broken two legs." The deputy took out his gun, put it in the horse's ear, and finished him off. [*Laughter*] "And," he said, "my dog was whining with pain—had a broken back." "And," he said, "he went over to him and put the gun in his ear." "And then," he says, "he turned to me and says now, how are you feeling?" [*Laughter*]

But getting back to our resolve: Six years ago we won a great victory, and we don't intend to let anyone again drag our beloved country back into the murky pit of collectivism and statism. This is the 200th anniversary of our Constitution, and no cloud will dim the shining light of our remembrance. This year we rededicate ourselves to the shared values and the common purpose that have given our nation unrivaled prosperity and freedom. We hear the cynics, but pay them no mind. We pass by

the pessimists and the doomsayers knowing that they'll always be with us, but confident that they no longer can hold our country back unless we let them. We see before us a future worthy of our past and a tomorrow greater than all our yesterdays. If there's any message that I wish to convey today it is: be of good cheer. We're coming back and coming back strong.

Our confidence flows not from our skill at maneuvering through political mazes, not from our ability to make the right deal at the right time, nor from any idea of playing one interest group off against the other. Unlike our opponents, who find their glee in momentary political leverage, we garnish our strength of purpose from a commitment to ideals that we deeply believe are not only right but that work. Ludwig Von Mises, that great economist, once noted: "People must fight for something they want to achieve, not simply reject an evil." Well, the conservative movement remains in the ascendancy because we have a bold, forward-looking agenda. No longer can it be said that conservatives are just anti-Communist. We are, and proudly so, but we are also the keepers of the flame of liberty. And as such, we believe that America should be a source of support, both moral and material, for all those on God's Earth who struggle for freedom. Our cause is their cause, whether it be in Nicaragua, Afghanistan, or Angola. When I came back from Iceland I said—and I meant it—American foreign policy is not simply focused on the prevention of war but the expansion of freedom.

Modern conservatism is an active, not a reactive philosophy. It's not just in opposition to those vices that debase character and community, but affirms values that are at the heart of civilization. We favor protecting and strengthening the family, an institution that was taken for granted during the decades of liberal domination of American government. The family, as became clear in the not-too-distant past, is taken for granted at our peril. Victimized most were the least fortunate among us, those who sorely needed the strength and protection of the family.

A Federal welfare system, constructed in the name of helping those in poverty,

wreaked havoc on the poor family—tearing it apart, eating away at the underpinnings of their community, creating fatherless children, and unprecedented despair. The liberal welfare state has been a tragedy beyond description for so many of our fellow citizens, a crime against less fortunate Americans. The welfare system cries out for reform, and reformed it will be. And when it is, the number one question that must be asked of every change is: Will this strengthen the family? Now, personally, I think that criterion should guide our decisions, not just in welfare reform, but in the deliberations of every department and agency. And if the answer is negative, the proposal should be sent to the Heritage Foundation for study, and you can bet they'll know what to do with it.

Our positive stance on family and children is consistent with our heartfelt convictions on the issue of abortion. Here again, we're not just against an evil. We're not just antiabortion; we're prolife. Many who consider abortion the taking of human life understandably feel frustrated and perhaps a sense of helplessness in bringing about the legal changes that we all seek. Progress has been slow and painful, and all the while the taking of unborn lives continues. Well, while we keep up the pressure for a change of law, there is something that can be done. Those of us who oppose abortion can and should aggressively move forward with a positive adoption versus abortion campaign. We must see to it that adoption is a readily available alternative and is an encouraged course of action. I would like to commend those in our movement, while not easing up on applying political pressure, who have been involved in providing counseling and services, especially to unwed mothers. Every time a choice is made to save an unborn baby's life, it is reason for joy. In the meantime, we in government will see to it that not one tax dollar goes to encouraging any woman to snuff out the life of her unborn child and that eventually the life of the unborn again comes within the protection of the law.

Last week we sent to Congress legislation to enact on a permanent, governmentwide basis the Hyde amendment restriction on Federal funding of abortion. Our proposal

would also cut off funding, under title 10, to private organizations that refer or perform abortions except when the mother's life is in danger. I hope all of you will join in the bipartisan effort to enact this much needed legislation. Conservatives are working for a society where children are cherished and in school are taught not only reading, writing, and arithmetic but fundamental values as well. And in striving for this, we will not compromise in our commitment to restore the right to pray to the schoolchildren of America. We want a strong America, and we know the truth behind President Eisenhower's words, when he quoted a young Frenchman's observation that if America ceases to be good, America will cease to be great.

The moral underpinnings of our country must be able to bear the weight of today if we're to pass on to the next generation an America worth having. And again, we're positive, and our eyes are on the future. And that's why so many of today's young people are supporting our cause. And believe me, as I was running for reelection, I saw them at every stop—those young people—full of life, enjoying their freedom, and enthusiastic about the United States of America. *[Applause]* I have to tell you, you young people are a new experience for us. We went through some years when you weren't cheering us—*[laughter]*—and it's wonderful to have you on our side. Well, our greatest political challenge is to find the formula that will mobilize our broad support among young people. Clearly, they aren't just looking for youthful appearances. *[Laughter]* My birthday cake's beginning to look more and more like a bonfire every year. *[Laughter]*

We must offer a vision of a future that works, a positive agenda for positive results. And we must not be so much against big government and high taxes as we are in favor of higher take-home pay and more freedom. And we've proven it works. With an emphasis on enterprise, investment, and work, on jobs and opportunity, we turned around economic decline and national malaise and set in motion one of the longest periods of peacetime economic growth and job creation in postwar history.

The pundits, you know, the pundits told us that we couldn't expect to get anything accomplished, even before we got to Washington. Now, they're trying to bring the curtain down before the show is over. Well, I learned a lesson in my former profession. So, let me give you a tip: We're saving the best stuff for the last act.

Thank you. Thank you very much. Thank you.

Audience. Four more years! Four more years! Four more years!

The President. Thank you very much. Our game plan is still the best one in town. The notion that government controls, central planning, and bureaucracy can provide cost-free prosperity has now come and gone the way of the hula-hoop, the Nehru jackets, and the all-asparagus diet. *[Laughter]* Throughout the world the failure of socialism is evident. There's an underground joke that's told in the Soviet Union—for example, about a teacher who asked one of the young students, Ivan, what life is like in the United States. And dutifully Ivan said, "Half the people are unemployed and millions are hungry or starving." "Well, then," the teacher asks, "then what is the goal of the Soviet Union?" Ivan said, "to catch up with the United States." *[Laughter]*

Seriously though, today free enterprise is propelling us into a new technological era. Small businesses throughout our land now have computer capability, which a decade ago was available only to large corporations. The economic vitality pushing our country into the 21st century is broad-based and irreversible—and it's not coming from the top, but from the bottom. The creative talents of our citizenry, always America's greatest asset, are being magnified by state-of-the-art technology and put to work for our benefit as never before. We have every reason to be optimistic.

Our scientific advances offer us new methods of meeting the challenges we face as a people. One of the first significant questions to emerge as a result of our rapid

progress deals with the Strategic Defense Initiative. *[Applause]* I see you know that that is our effort to develop a way of protecting mankind from the threat of ballistic missiles. It holds the promise of someday making those missiles, deadly weapons that have been the cause of such dread, obsolete. We have offered to share the benefits of our SDI program with the Soviet Union, perhaps as part of an overall agreement to dramatically reduce our respective nuclear arsenals. But let me make this clear: A defense against ballistic missiles is just one of many new achievements that will be made possible by the incredible technological process that we are enjoying.

Each step forward improves our lives, adding to our ability to produce and build and generate wealth. Yet each step also has strategic implications. SDI, as I say, is one. Let there be no doubt, we have no intention of being held back because our adversary cannot keep up. We will use our scientific skills to make this a more prosperous world and to enhance the security of our own country. We must not and will not bargain the future away.

Six years ago we came to Washington at a time of great national uncertainty. The vigor and confidence so evident in our land today reflect more than luck. They are the outgrowth of ideas that stress freedom for the individual and respect for the humane and decent values of family, God, and neighborhood. We are giving our children the greatest gift that is within our power to give, the one we received from those who came before us: a strong, free, and opportunity-filled America. And I thank you for all that you have done and continue to do to make certain that we do just that.

And so, thank you, and God bless you all.

Note: The President spoke at 1:20 p.m. in the International Ballroom at the Washington Hilton Hotel. David A. Keene was chairman of the American Conservative Union.

Radio Address to the Nation on Economic Competitiveness *February 21, 1987*

My fellow Americans:

This past Tuesday I gave a major address on our administration's proposal to make our nation more competitive in the world economy. Then on Thursday I submitted those proposals to Congress. American competitiveness—it's an issue that involves all our hopes for keeping this country a land of opportunity in the years ahead. Of course millions of us have the feeling that, recently, American products haven't been measuring up in the world marketplace quite the way they should. According to one poll, 9 out of 10 Americans are worried that the United States is losing its competitive edge. But it's important to move away from general notions like these to define the problem as precisely as we can.

Looking back we know that, virtually throughout our history, the United States has grown more competitive with the rest of the world, not less. In the century and a third between our founding and the First World War, we went from a minor agrarian nation—a country for the most part of small towns and little farms scattered among vast reaches of virgin wilderness—to an industrial power of the first rank, with great cities and factories and a workforce that was large and highly skilled. By the end of the Second World War, the United States stood alone, an economic giant that none of the war-ravaged powers could even begin to match. Since the war the United States has undergone economic expansion, growing economically still stronger; but so have other nations.

The countries the Second World War laid low have in recent decades not only rebuilt to prewar levels but gone on to play major roles in the modern world economy. This is as it should be, as we Americans would want it to be. It's no good being the tallest one around just because everybody else is flat on his back. And we went to great lengths with the Marshall plan and other programs, specifically to help other nations get back on their economic feet. But, yes, this new prosperity on the part of other

nations does involve certain challenges. By the way, I'd like to stress that I used the word "challenges," not "threats." Threats are something you need to beat back; challenges are something you can rise to.

Today we see these economic challenges everywhere, challenges like the high quality of so many foreign goods and improved marketing techniques for selling foreign goods here at home. The strong dollar of recent years—in large part a reflection of the underlying health of our economy—has added a challenge of its own, making foreign goods less expensive in America and American goods more expensive abroad.

Yet perhaps the most distressing shortcomings involve the aspect of American life that will most directly affect our future—education. Compared to students in the Soviet Union, American high school pupils spend over 20 percent fewer hours each year in school. Compared to students in Japan, American pupils receive significantly less instruction in those subjects of special importance to so many areas of economic growth—mathematics and the sciences.

And we've cut tax rates and held down the growth of government spending during these past 6 years. America has begun to meet these challenges. Education test scores have risen. Inflation has fallen to its lowest level in 25 years. Our economy has created some 13 million jobs. In manufacturing, labor productivity is rising at a rate almost 50 percent greater than the postwar average. To give just one example of improved quality: Our auto industry is retooling and offering extended warranties. And in the words of management expert Peter Drucker: "We have made the biggest demographic change any country has ever made in terms of labor force participation of women. It's an incredible achievement."

An incredible achievement indeed, but one to build upon, not take for granted. And that's why in my address on Tuesday I put forward an array of proposals, including worker retraining, redoubled efforts to open foreign markets to American goods,

and new research initiatives to spur innovation in science and technology. This quest for excellence must be a great national undertaking that challenges Americans to achieve their best—that challenges workers to take greater pride in their product; businessmen to become even more enterprising and innovative; and educators to instill in our children a willingness to strive for that magic word, “excellence.” So, I call on Congress to put our proposals at the top of its

agenda and to act upon them promptly. Working together I’m confident that we’ll go on to still more jobs and even greater prosperity. After all, when it comes to world competitiveness, we Americans have quite a history behind us.

Until next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from Camp David, MD.

Toast at a White House Dinner Honoring the Nation’s Governors February 22, 1987

The President. It’s been a pleasure to have met with you this evening and to have had this opportunity to break bread and to get to know you. Pardon me, but the circumstances remind me a bit of the story of the Christians in ancient Rome who are thrown into the arena there. And moments later, why, the hungry lions were released and came charging out at them. And before they could quite get to them, one of the Christians stood up, stepped forward, and said something. And the lions suddenly just laid down and refused to attack the Christians. Well, the crowd at the Coliseum got mad. They yelled at the lions. They were throwing rocks at them and everything, but they couldn’t get them to eat the Christians. Finally, Nero called the Christian leader to his side and said, “What is it that you told the lions?” He said, “I simply told them there would be speeches after the meal.” [Laughter]

Well, tonight there are no speeches after the meal, so I’ll be brief. Having been a Governor, I can sympathize that sometimes it feels like you’re out in the middle of the arena and the voters are rooting for the lions. After our meeting I hope that each of you understands that this administration is rooting for you. In these last 5 years we’ve done our best to make certain the Federal Government doesn’t increase taxes and drain away the revenue base that you depend on at the State and local level. Federal money is, as we all know, nothing more

than local money that is given back, minus a carrying charge and coupled with complex guidelines and regulations. Well, we’d rather have local and State officials, and the people themselves, keep that revenue right at home. And as far as those guidelines—you’ve helped us save the States billions of dollars by ridding the books of needless paperwork and trimming back the redtape. I’ve thought from my own days as Governor that the best thing the Federal Government can do for the States is get out of your pockets and out of your way.

Today State government has resumed its rightful role as a major force in our society. The subjects we’ll concentrate on tomorrow—welfare, employment training, and education—are the biggest challenges of today. They cannot be solved unless you are a major part of the solution. In the case of welfare reform, for example, our program is your program—what works best for your citizens in the unique circumstances that you know best. It’s clear that centralized planning doesn’t work here anymore than it works in socialist countries. There’s a story about two Russians who are walking down the road in Moscow. And one of them said to the other, “Comrade, do you really think now that we finally have achieved all that there is—the highest state of communism—that we’ve reached that?” And the other one said: “Oh, no. Things are going to get a lot worse.” [Laughter]

Seriously though, it’s a pleasure to share

this wonderful evening with you all. So, there isn't a place on here to set this. I always have to go over and get it. I now lift a glass to all of you, to our country, may her 50 States and 5 territories always shine as the stars in the constellation of freedom and democracy.

Audience. Hear! Hear!

The President. Thank you all, and God bless you all.

Note: The President spoke at 9:25 p.m. in the State Dining Room at the White House.

Remarks to Members of the National Governors' Association *February 23, 1987*

Thank you all very much, and welcome to the White House. It's a great pleasure to have you all here in Washington and have this opportunity to talk to you, as one chief executive to others, about our plans to prepare America for the century ahead. With me, as you saw—usually a group anyplace I go anymore, so we—Secretary Bennett and Secretary Bowen, Chuck Hobbs, the Vice President. And they'll all help me in answering any questions that you may have. Mostly, however, we want to listen to you, to hear what's happening at the State level; because I may be prejudiced, having been a Governor myself. But I'm convinced that it's in our States and communities that we find many of the most innovating and exciting answers to our problems.

First, however, I want to talk about what we see as our three top agenda items: welfare reform, education, and competitiveness. All three, of course, are connected. Success in all three areas is necessary if America is going to be all it can be.

On the subject of welfare reform: Tomorrow we'll be sending our legislative proposal to Congress, to start that long and convoluted process by which we hope to get true reform started. Our goal is to establish a process that allows States and communities to implement their own antipoverty ideas based on their own unique experiences. States and communities are in the best position to find solutions to welfare dependency. In fact, a number of you already have used the limited independence that you now have to improve your welfare systems. Dozens more of you've demonstrated that you're eager to pursue new ideas and fresh

strategies.

I'm also convinced that for any plan to work, it must be based on the advice of experts—not the ones in the universities and the think tanks, whose expert advice helped create the current welfare crisis, but the real experts: people like a lady named Kimi Gray, a one-time welfare mother with five children. We had her here in the White House the other day, and she told us about how she had gotten herself off of welfare and sent her five children to college. Not only that but she went on to become the driving force behind the Kenilworth Parkside Resident Management Association, taking over the management of these housing projects. And when she started out, she says that Kenilworth Parkside was referred to as "the end of nowhere, the part of the city that's been forgotten." But through the resident management concept, welfare recidivism was reduced from 85 percent to 22 percent and teenage pregnancy was cut by 50 percent. Crime in the neighborhood fell, and new businesses started up.

And how did she do it? Well, her work echoes what every other true expert about welfare knows, what everyone who's had success getting people off of welfare, rather than on, will tell you. "Our philosophy," she said, "is that the only way we could save our community was by saving our families." And how did they do that? Well, here are her words: "By returning respect and responsibility and pride back to the fathers of our community." There, spoken with the eloquence that comes from experience, is the fundamental truth about the difference between dependency and self-sufficiency: It

hinges on the family. The fundamental principle that must guide all our efforts at reform is that anything we do, any change we make, must strengthen, support, and give encouragement to the family. We must do all we can to ensure that the family is a safe haven for its children, a source of strength and security for all its members.

And let me make a related point: In some cases day care may be a necessity, but it can never replace the love and care of the parents themselves. We've always been a nation that's drawn its strength from the values of family life. If America hopes to enter the 21st century united and free, we must once again make a wholesale, conscious commitment to strengthening and protecting those basic family values and the strong, stable families from which they spring. I know you all recently received my letter on welfare reform. And I know that you're as dissatisfied with the present system as we are. And many of you've thought long and hard about what needs to be done. Well, that's why we're anxious to hear what ideas your task force, headed by Governor Mike Castle, has to offer. And all of you, individually, have made great strides. We need your ideas, but not just your ideas. I'm asking each of you to help get our legislation through Congress. And I'm asking each of you, then, to use your new freedom to try new approaches in your State so that we can work together to make welfare work better.

Also, I've previewed the ideas you're going to consider tomorrow as a group, ideas developed over the past year by your task force on welfare reform. And I want you to know that I applaud those efforts, especially the emphasis that you're putting on increased self-responsibility among people the welfare system has too often assigned to long-term dependency. An important part of the solution for many is education. And may I take a minute here to congratulate all of you on the impressive strides you're making in this area. Last August you issued a report called "Time For Results." And you raised some tough questions and offered some bold recommendations for reform.

You told us that our education system should set high standards and hold teachers

and administrators accountable for the jobs they do. You told us that we should encourage more parental choice and involvement, and you told us to open up the education profession to qualified individuals from other professions. And you said that our colleges should be judged by their success or failure in educating our students. Secretary Bennett tells me that you're moving full speed ahead to put your recommendations into practice. Well, I want to urge you today to continue to build on your report and to carry your ideas through, specifically ensure that all our students have good teachers by opening up the profession to all competent individuals who have mastered the subjects to be taught and make an even greater push for higher standards and higher expectations for all of our children, regardless of their social or economic background.

You've taken the lead, and the Federal Government is going to work to do our part. Last week I sent two important pieces of legislation to the Congress: our ECIA proposal to improve the education of disadvantaged children and our bilingual proposal to restore flexibility to decisions on the best means of teaching children whose first language is not English. These proposals complement your reform efforts. We're encouraged by the progress of our education reform movement. You're on the front lines, so let's stick with it.

And finally, the task of competitiveness. Welfare reform and education are a big part of that. People are our most valuable resource; and their imagination and creativity, hard work, and faith—that's what'll drive America into the 21st century. We can't afford to leave anyone out, and no one must be excluded. And that's why I recently sent to Congress proposed legislation to ensure that government will contribute its share to America's quest for excellence. Ours is a diverse package, as diverse as the challenge before us. But diverse though it is, every part of it has one central purpose—and that is to make certain that in the years ahead the door of opportunity and excellence is open to all Americans.

Well, now I've broken my promise of last night at dinner. I've talked too long. Our

friends from the press will be leaving now. And when they've cleared the room, I'll just turn to your Chairman, Bill Clinton, so that I can hear some of your ideas. Nice to have had you.

Note: The President spoke at 10:54 a.m. in the East Room at the White House. In his

opening remarks, the President referred to William J. Bennett, Secretary of Education; Otis R. Bowen, Secretary of Health and Human Services; Charles D. Hobbs, Deputy Assistant to the President for Policy Development; and Vice President George Bush. Bill Clinton was the Governor of Arkansas.

Message to the Congress Transmitting Proposed Catastrophic Health Insurance Legislation *February 24, 1987*

To the Congress of the United States:

I am pleased to transmit today for your immediate consideration and enactment the "Medicare Catastrophic Illness Coverage Act." This landmark legislation would provide protection under the Medicare program for elderly and disabled Americans who suffer an acute care catastrophic illness. The legislation would help provide peace of mind for 30 million Americans without adding to the tax burden of their children.

We all know family, friends, or neighbors who have suffered a devastating acute care illness that has destroyed their financial security. A catastrophic acute care illness requires treatment so costly that families can only pay for it by impoverishing themselves. A catastrophic illness is financially devastating and requires personal sacrifices that can haunt families for the rest of their lives.

Elderly Americans require more medical care than younger persons. Average health care spending for an elderly person in 1984 was \$4,200, compared to \$1,100 for a person under 65.

Virtually all the elderly have acute care insurance protection under Medicare. About two-thirds also have private supplementary insurance, or Medigap. These two types of insurance together still have some significant limitations in coverage. As a result, unpredictable health care expenses loom large in the personal budgets of the elderly.

There are gaps in Medicare as currently

structured for acute care expenses. Hospital coverage is limited. After 60 days of hospital care, a Medicare patient begins to make increasingly costly payments—rising from \$130 per day for days 61 through 90, to \$260 per day for days 91 through 150, to the full cost of care for more than 150 days in the hospital. On top of this, there is a required 20 percent co-payment for all physician services covered by Medicare. The Medicare program, then, requires the greatest payments from those with the most serious health problems.

About 13 percent of the elderly are also covered by Medicaid, a health program for the poor. Medicaid is State-operated, and many States limit the amount and kind of services they will pay for under the program.

The proposed "Medicare Catastrophic Illness Coverage Act" would provide improved acute care coverage for the elderly and disabled by restructuring the Medicare program. The proposal would set an annual limit on out-of-pocket expenses for approved charges, with the additional coverage financed by a modest additional premium to be paid by beneficiaries.

Under the proposed legislation, a \$2,000 out-of-pocket limit for Medicare-proposed expenses would be established. Beneficiaries would be assured that once they had incurred out-of-pocket expenses of \$2,000 for approved charges, the Medicare program would pay for all remaining covered services.

As part of the added protection, all hospi-

tal and skilled nursing facility coinsurances would be eliminated. Further, no beneficiary would ever pay more than two hospital deductibles in any year. Skilled nursing facility care would be fully covered for 100 days each year. The complicated "spell-of-illness" concept would be eliminated. The current deductible and coinsurance for physician-related services would not be changed until the \$2,000 limit was reached.

The proposal would be completely financed by a modest addition to the existing monthly Supplementary Medical Insurance (part B) premium. Any beneficiary electing the optional part B would be automatically covered for catastrophic expenditures. The catastrophic expense cap would be adjusted annually to reflect changes in program costs. The new premium would cover the full costs of the catastrophic illness benefit in an actuarially sound manner. Conse-

quently, this new benefit would not require the infusion of additional general revenues nor exacerbate the current budget deficit.

The legislation that we are advancing today addresses a fundamental gap in the health insurance protection of the elderly and disabled. I am asking the Congress to give elderly Americans a health insurance plan that fights the fear of catastrophic acute care illness. For too long, many of our senior citizens have been faced with making an intolerable choice—a choice between bankruptcy and death. This proposed legislation would help solve this tragic problem. I urge you to join me in facing the challenge before us and to consider favorably our approach to catastrophic illness protection under Medicare.

RONALD REAGAN

The White House,
February 24, 1987.

Remarks at a White House Meeting With Members of the Council for a Black Economic Agenda *February 24, 1987*

Reporter. Mr. President, who do you bring to the White House to replace [Assistant to the President and Chief of Staff] Don Regan?

The President. I have some remarks I have to make here on a different subject.

Well, it's good to have you and the members of the council here again—we met before. I recall that when we met last year, you had some pretty impressive ideas on your agenda dealing with economic development, education, and housing. While Congress has yet to act affirmatively on two of those items—education vouchers and enterprise zones—working together we were able to get legislation on tax reform and on tenant management and public housing.

This year the objectives, which are among the highest on our list of domestic priorities, our competitiveness and welfare reform, which together create paths of opportunity. And I understand that you have also expanded your own agenda to include

items which complement these objectives.

We must start now preparing America for the 21st century. America is beginning the great quest for excellence that will open paths of opportunity so that all Americans will be ready for the year 2000. Our welfare reform package is our way of opening paths of opportunity. We can't go into the competitive world of the next century with so many of our fellow citizens caught in a poverty trap—a trap that robs those in it of hope and dignity and robs all of us of the benefits of their minds and their work. But welfare reform is not the only part of our quest for excellence.

But I want to stress one thing: We're not talking about denying help to those who must have the help of others through no fault of their own. What we're talking about is reforming welfare so that the program itself gets people back into independence and self-sufficiency, rather than permanently capturing them into that system and

keeping them there. For all Americans, we want to open more and more paths of opportunity in education and expanding scientific literacy and fostering new technologies and, through new technology, new jobs for the future; and building a fair, free, and growing world economy that gives hope and opportunity to all Americans, all mankind. That's the great challenge before us. I look forward to hearing your ideas on these subjects and then find out how we can all be helpful. And now we will pause while our friends leave us. [Laughter]

Q. Mr. President, did you forget about approving the arms sale to Iran?

The President. What?

Q. Did you forget having given that prior approval for the arms sale?

The President. Now, you know I don't take answers [questions] here, and I'm not

going to answer any questions on those subjects until the Tower commission report has come in.

Q. But could you tell us if it upsets you that reports are continuing that you've forgotten this or remembered that?

The President. Well, I'm not supposed to answer, but I'd like to ask one question of everybody. Everybody that can remember what they were doing on August 8th of 1985, raise your hand. I think it's possible to forget. Nobody's raised any hands.

Okay. All right.

Q. What about Mr. Regan? Do you have a replacement in mind, sir?

Q. Is Nancy talking with—

The President. After the Tower commission, please.

Note: The President spoke at 2:13 p.m. in the Cabinet Room at the White House.

Message to the Congress Reporting on Federal Juvenile Delinquency Programs

February 25, 1987

To the Congress of the United States:

The Administrator of the Office of Juvenile Justice and Delinquency Prevention (OJJDP) has recently submitted to me a copy of the *Tenth Analysis and Evaluation of Federal Juvenile Delinquency Programs* as required by Section 204(b)(5) of the Juvenile Justice and Delinquency Prevention Act of 1974 (P.L. 93-415), as amended. This letter fulfills the statutory requirement to respond to the Congress concerning this document and its recommendations.

This year's report and its recommendations focus on encouraging public-private partnerships. The objective is to target the specific needs of each community while encountering fewer layers of bureaucracy and decreasing the dependency on Federal dollars.

The Juvenile Justice and Delinquency Prevention Program has been effective, channeling almost one billion dollars since 1975 into various programs authorized by the Juvenile Justice and Delinquency Pre-

vention Act.

Over the years, with the aid of these resources, the States have been able to accomplish the primary goals of deinstitutionalization of status offenders and the separation of juvenile and adult offenders at the State and local levels. In addition, many successful demonstration programs have been implemented in jurisdictions across the country. We, therefore, think that it is time to turn over the responsibility for continuing these programs to the State and local communities who benefit from them.

Several of the OJJDP's recommendations will go a long way toward making the transition from total reliance on Federal funds. Interagency cooperation and efforts to provide coordinated juvenile justice activities will ensure the most efficient use of taxpayer dollars. This is key because although we are proposing termination of OJJDP, there are still other Federal agencies that will be providing services and programs benefitting juveniles. Also, the Administrator recom-

mends encouraging the involvement of States, community groups, volunteers, public-private partnerships, and the private sector in protecting society and reducing juvenile crime.

However, simply because we propose terminating this Federal grant program it would be a mistake to conclude that the Administration's commitment to a strong criminal justice system is less than complete. Rather, we have sought improvements to those elements of the criminal justice system where we believe the Federal government has a legitimate responsibility. Indeed, it is precisely because of our strong commitment to improving the criminal justice system that we continually search for

scarce Federal dollars. Accordingly, Federal funding for the administration of justice has greatly expanded during my Administration. While 1982 funding totaled \$4.7 billion, as measured in outlays, my 1988 budget provides \$9.2 billion. This is an increase of almost 100 percent.

The report sets forth six recommendations for improving Federal juvenile delinquency prevention policy. I can assure you that each of the recommendations will be implemented to the extent possible with respect to funds appropriated in fiscal year 1987.

RONALD REAGAN

The White House,
February 25, 1987.

Nomination of Beryl Dorsett To Be an Assistant Secretary of Education

February 25, 1987

The President today announced his intention to nominate Beryl Dorsett to be Assistant Secretary for Elementary and Secondary Education, Department of Education. She would succeed Lawrence F. Davenport.

Since September 1986 Ms. Dorsett has been acting principal at Public School 73, District 9, in the Bronx, NY. Previously, she was a coordinator of social studies, New York City Public School System, District 1, 1985-1986; on sabbatical conducting feasibility and educational studies in Africa,

August 1984-August 1985; assistant to the principal, Junior High School 22, the Bronx, NY, 1983-1984; director, Education Consolidation and Improvement Act, chapter I programs, the Bronx, NY, 1979-1983; and assistant director, title I programs, the Bronx, NY, 1978-1979.

She graduated from Baruch City College (A.A.S., 1963; B.B.A., 1964). She has two children and resides in the Bronx, NY. Ms. Dorsett was born August 4, 1940, in New York City.

Appointment of Two Members of the Board of Visitors of the United States Air Force Academy

February 25, 1987

The President today announced his intention to appoint the following individuals to be members of the Board of Visitors to the United States Air Force Academy for terms expiring December 30, 1989:

Holly Coors, of Colorado. Mrs. Coors is currently

the vice president and founder of Citizens for America. This is a reappointment.

Charles B. Wilkinson, of Missouri. Mr. Wilkinson is currently vice chairman of the Advisory Board of Public Employees Benefit Services Corp. Previously he was coach of the St. Louis Cardinals football team, 1979-1980. This is a reappointment.

Appointment of John Charles Gartland as a Member of the National Commission for Employment Policy

February 25, 1987

The President today announced his intention to appoint John Charles Gartland to be a member of the National Commission for Employment Policy for a term expiring September 30, 1989. He would succeed Kenneth O. Stout.

Since 1979 he has been director of Washington affairs, Amway Corp. Previously he was director, Foundation for the Study of

Presidential and Congressional Terms, 1978–1979.

He graduated from Villanova University (B.A., 1963) and George Washington University (M.A., 1968). Mr. Gartland is married, has six children, and resides in Pottomac, MD. He was born February 3, 1940, in Cleveland, OH.

Designation of Chairman and Vice Chairman of the President's National Security Telecommunications Advisory Committee

February 25, 1987

The President today announced his intention to designate the following individuals to the positions of Chairman and Vice Chairman, respectively, of the President's National Security Telecommunications Advisory Committee for terms of 1 year.

Rocco John Marano has served on the Committee since May 1983. He would succeed Theodore F. Brophy. Since 1984 Mr. Marano has served as president and chief executive officer of Bell

Communications Research, Inc., of Livingston, NJ. He has been with the Bell System since 1953. Mr. Marano was born February 14, 1928, in Haverstraw, NY.

Paul H. Henson has served on the Committee since December 1982. Mr. Henson would succeed Rocco John Marano. Currently he is chairman of the board, United Telecommunications, Inc., Kansas City, KS. Mr. Henson was born July 22, 1925, in Bennet, NE.

Appointment of David H. Fulstone II as a Member of the National Commission on Agricultural Finance

February 25, 1987

The President announced today his intention to appoint David H. Fulstone II to be a member of the National Commission on Agricultural Finance. This is a new position.

Mr. Fulstone is currently a rancher in

Nevada. He is active in local agricultural, community, and political organizations. Mr. Fulstone is married, has one child, and resides in Yerington, NV. He was born December 23, 1950, in Yerington.

Remarks at a White House Briefing on Economic Competitiveness February 25, 1987

Well, thank you all, and welcome to the Old Executive Office Building. It's a pleasure to be able to welcome so many distinguished executives from the Midwest, the part of the country that I grew up in and that still holds a special place in my heart.

I have to digress for a moment and tell you something about that great heartland, the middle of our country. The first time I was ever in England, in 1949, and I was with a little group, and we wanted to see some of those historic old pubs. So, on a weekend afternoon we were introduced into one. The driver apologized because it was only 400 years old. *[Laughter]* And it turned out to be a mom and pop installation. And the lady serving us, the mom—she finally spoke up and said, “You’re Americans, aren’t you?” And we agreed that we were. “Oh,” she said, “there was a group of your chaps down the road during the war.” And she said, “They would come in here in the evening.” She said, “They called me mom, and they called the old man pop.” And she said, “They would come in and hold a songfest. And then,” she said, “it was Christmas Eve.” And by this time she’s not looking at us anymore; she’s kind of looking off into the distance. And a tear was beginning to come. She said, “We were in here all alone, and,” she said, “the door opened and in they come.” And she said, “They had presents for us—Christmas presents.” And then she said this line that got me. She said, “Big strappin’ lads they was, from a place called Ioway.” *[Laughter]* Well, I think we could all visualize those “big strappin’ lads.” They’re probably the best ambassadors of good will we send out.

But as business leaders from America’s heartland you represent a tremendously important audience: men and women with responsibility for so much of our country’s corporate and economic might—so much of America’s growth, prosperity, and job creation. You know, a few years ago, I challenged our nation’s educators to improve education throughout America. Since then all 50 States have had task forces in educa-

tion, and our students’ test scores have risen. And now we’re engaged in another great effort, an effort to make America more competitive in world markets—in a word, a quest for excellence. And in a moment I’ll issue you a challenge that’s every bit as important as the one I gave to the educators.

First, though, permit me to tell you what those of us in government intend to do as our part of this quest for excellence. And by the way, you can relax: I know that others have given you thorough briefings, so I promise to keep my own remarks short. You know, I often reflect that George Washington—I try to keep this in mind—gave an inaugural address of just 135 words and became, of course, a great President. And then there was William Henry Harrison. Harrison gave an inaugural address that droned on for nearly 2 hours. It was a blustery March day. Harrison caught pneumonia, and a month later he was dead. *[Laughter]* I told him to keep it short. *[Laughter]*

But in a certain sense, the quest for excellence began when we first took office in 1981. During the past 6 years we’ve cut tax rates, reduced regulations, supported a sound monetary policy, and held down the growth of government spending. And the result: Inflation has fallen to its lowest level in 25 years. Our unemployment rate is among the lowest in the Western World. Our economy has created some 13 million new jobs. In manufacturing—often cited as one of the weakest sectors—the fact is that labor productivity is rising at a rate almost 50 percent greater than the postwar average. Several firms have moved some of their manufacturing operations back into America. Yet, as we both know, there’s still so much more to be done. And in considering our quest for excellence, we must look, above all, to the future.

Just last week I sent to Congress a package of legislative proposals to advance this quest for excellence. These proposals include job retraining for displaced workers,

training funds for young people from economically disadvantaged backgrounds, a host of measures that would spur innovation in American science and technology, and proposals that would do a great deal to improve that aspect of American life that bears so directly on our future—education. I could speak at length about each of these—but, then, I made you a promise. So, let me concentrate instead on one area that I know is of special concern to each of you: world trade.

To begin with, our administration takes it as a fundamental premise that the answer to our problems is more international trade, not less—and certainly not protectionist barriers like those some in Congress are advocating. After all, when you're my age you can't help but remember that Congress passed the Smoot-Hawley protectionist legislation in 1930 and that just 3 years later unemployment in America stood at 25 percent. I was one of them. You of the Mid-America Committee have supported us in our efforts to beat back protectionist legislation and keep the emphasis on free and fair trade. And you'll be happy to hear that I have good news. The threat of protectionist legislation is still with us, but at the same time I see a new hope for a bipartisan consensus on the importance of expanding world trade. No less a Democratic figure than House Speaker Jim Wright recently said, "The solution lies in opening markets for American goods, not in closing our markets to foreign goods."

Well, as you know, at the end of the Second World War the United States stood virtually alone, an economic giant that none of the war-ravaged powers could begin to match. After the war the United States grew still more economically stronger, leading the world by example. Today Europe and Japan have been rebuilt, and many real income levels have risen in many developing countries. By way of international trade, this new prosperity in the rest of the world adds greatly to our own by enabling them to buy American goods. But, yes, it also poses certain challenges. To begin with, there's the serious problem of markets that have been intentionally closed to American goods. Here, too, we've already begun to take action. Indeed, in this administration

we've taken the strongest actions in American history against unfair trade practices abroad. And in the 2 years to come, we'll be taking actions that are stronger still.

The proposals we sent to Congress include, for example a request to grant wider protection to patents, copyrights, and trade secrets—in effect putting up a "No Trespassing" sign over American intellectual property. And in our package, the Trade Employment and Productivity Act, we asked Congress for the authority to negotiate a new round of trade agreements to lower trade barriers the world over. Free trade must be also fair trade, and we intend to see to it that world trade is just that. The Secretary of Treasury recently reached an agreement to encourage greater growth and domestic demand among our trading partners. Growing world markets are the ultimate answer to growth in our economy, growth in trade, and growth in the number of jobs. Yet in this quest for excellence there's much more to do than to open foreign markets—much to do to make American goods and services, American education, indeed our whole way of life, resonate with excellence. I've already mentioned the many proposals that I sent to Congress last week, but there are limits to government's role—limits to what government should do, limits, after all, to what government can do.

So, in closing, I need to enlist your help, if you will, to issue that challenge that I mentioned at the outset. For the sake of our future, do all you can to make your businesses more innovative and efficient. In export markets, compete more effectively, develop better techniques of management, better goods, and better services. Because the better our management, the more innovative and competitive we are, the more jobs we'll create, and the more prosperous all of America will become. For our part, our administration has done its best to provide a healthy economy and to protect you from protectionist legislation. And now I ask you, in short, to participate in every way you can in this—America's quest for excellence. We all have a stake in the outcome.

So, thank you all, and God bless you all.

Note: The President spoke at 11:30 a.m. in Room 450 of the Old Executive Office Building to the Mid-America Committee, a group of corporate executives from the Midwest.

Proclamation 5612—Save Your Vision Week, 1987 February 25, 1987

By the President of the United States of America

A Proclamation

Vision is a priceless gift that enriches our lives in countless ways. Through our eyes we drink in the beauties of art and nature. Reading offers us a window on the world—present and past. The ability to see is something we tend to take for granted until it is threatened by disease or injury. But there are steps all of us can take now to protect the gift of sight.

One of the most important precautions is regular eye examinations by an eye care professional. Such checkups can alert us to the early stages of an eye disease that, if unchecked, could cause irreparable loss of sight. Thanks to research, eye doctors now have effective treatments for some of the most sight-threatening eye diseases.

For example, research supported by the National Eye Institute has shown that laser treatment can help many people who are at risk of visual loss from diabetic eye disease. It is essential for people with diabetes to have regular eye examinations to learn whether they need this treatment.

Regular eye checkups are also important for people who have reached middle age, because glaucoma, cataract, macular disease, and many other serious eye disorders tend to strike in middle and later life. But if these conditions are detected and treated in time, serious visual loss often can be prevented.

Children, too, stand to benefit from eye examinations. A routine checkup may reveal some problem that should be corrected while the child is still young. Many children have been spared from lifelong visual handicaps because a checkup gave warning of a need for treatment.

Preventing eye injuries is also very im-

portant. Everyone should wear goggles, safety glasses, or a face mask when working with chemicals or machinery that might be a hazard to the eyes. People participating in certain sports may also benefit from protective eyewear.

And there is more we can do. We can give the gift of sight to others by making arrangements to donate our eyes after death. Donations are needed for corneal transplant operations that can cure blindness in people whose corneas have been damaged by injury or disease. It is hard to imagine a more magnanimous bequest.

This is a time to recognize the many contributions of private organizations devoted to the safeguarding of eyesight, the prevention of visual loss, and the rehabilitation of those with impaired vision. During this centennial year of the National Institutes of Health, we can also celebrate the many research accomplishments of the National Eye Institute.

To encourage all Americans to reflect on how important eyesight is and what they can do to safeguard it, the Congress, by joint resolution approved December 30, 1963 (77 Stat. 629, 36 U.S.C. 169a), has authorized and requested the President to proclaim the first week in March of each year as "Save Your Vision Week."

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning March 1, 1987, as Save Your Vision Week. I urge all Americans to participate in this observance by making eye care and eye safety an important part of their lives. I invite eye care professionals, the communications media, and all public and private organizations committed to the goal of sight conservation to join in activities that will make Americans more aware of the steps they

can take to protect their vision.

In Witness Whereof, I have hereunto set my hand this twenty-fifth day of February, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two

hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 2:48 p.m., February 26, 1987]

Statement on the Iran-Iraq War *February 25, 1987*

On January 23, while the Iranian assault against Iraqi forces was especially intense, I reiterated the deep concern of the United States at the suffering and instability which the Iran-Iraq war has brought to the Gulf region. Since that time, although Iraq has stopped the Iranian attack east of Basra and pushed it back somewhat, the fighting in this tragic conflict has continued on the ground, in the air, and at sea.

Clearly, the peoples of the region cannot rest secure until there is a negotiated end to the conflict. We have frequently called on Iran's leaders to join in working toward a negotiated settlement, as the Iraqis have repeatedly offered to do. Regrettably, the Iranian Government has so far proved unresponsive in the face of all efforts to encourage reason and restraint in its war policy. It has also persisted in its efforts to subvert its neighbors through terrorism and intimidation.

We continue to work for a settlement that will preserve the sovereignty and territorial integrity of both Iran and Iraq. Toward that end, I have asked Secretary of

State George Shultz to take the lead in an international effort to bring Iran into negotiations. Secretary Shultz has recently named Under Secretary-designate Ed Derwinski to be responsible for our "Operation Staunch." This effort has my full support.

As I emphasized in January, this conflict threatens America's strategic interests, as well as the stability and security of all our friends in the region. We remain strongly committed to supporting the self-defense of our friends in the region and recently moved naval forces in the Persian Gulf to underpin that commitment. We also remain strongly committed to ensuring the free flow of oil through the Strait of Hormuz. Finally, we are determined to help bring the war to the earliest possible negotiated end. With that goal in mind, the United States calls for an immediate cessation of hostilities, negotiations, and withdrawal to borders. I urge the international community, in the appropriate fora and through the appropriate mechanisms, to cooperate in the endeavor. The time to act on this dangerous and destructive war is now.

Remarks on Receiving the Final Report of the President's Special Review Board on the National Security Council *February 26, 1987*

The President. On behalf of myself and the American people, I want to extend my thanks to Senator Tower, Secretary Muskie, and General Scowcroft. Whatever this report may say, I have appointed—or I'm proud to have appointed this distinguished

Board, because it fulfills my commitment to get the facts and share them with the American people. This is why I asked Attorney General Meese to conduct his review and why, when that review uncovered unauthorized actions, I ordered full disclosure

of what we then knew. It was why I urged the appointment of an Independent Counsel and why I appointed David Abshire as my Special Counselor on this matter. And it is also why I ordered full cooperation with congressional inquiries. And it's why I appointed this Board, the Tower board.

The significance of this Board's work is reflected in the size of this volume, which I am going to carefully study over the next several days. But Senator Tower, Secretary Muskie, and General Scowcroft, in completing the task so well, you've again demonstrated a willingness—one you've shown all your lives—to help your country, to devote yourself to public service. In a highly charged atmosphere, I know it wasn't easy to interrupt your lives. But this was an important contribution to your nation, and the American people are grateful to you for it.

And now, in addition to thanking these distinguished gentlemen, I want to make it clear that I consider their work far too important for instant analysis. I intend to read and digest it first, think carefully about its

findings, and promptly act on its recommendations.

Next week I will address the Nation and give the American people my response to this report. But I pledge to the American people today that I will do whatever is necessary to enact the proper reforms and to meet the challenges ahead.

I want to thank the members of the Board again. And now, John [Tower], I'm sure there'll be a few questions for you.

Q. Mr. President—

Q. —Donald Regan be leaving as Chief of Staff?

Q. —Iranian.

Q. Mr. President—

Q. Is Donald Regan—

The President. The Board will take your questions.

Q. Sir, will Donald Regan be leaving as your Chief of Staff?

Note: The President spoke at 11 a.m. in Room 450 of the Old Executive Office Building.

Message to the Congress Transmitting Proposed Low-Income Opportunity Legislation

February 26, 1987

To the Congress of the United States:

I hereby transmit for the consideration of the Congress proposed legislation, entitled the "Low-Income Opportunity Improvement Act of 1987," to encourage State-sponsored and community-based demonstrations in public assistance policy.

This legislative proposal is the result of an exhaustive, year-long administration study of the needs of poor Americans. Hundreds of welfare recipients, former recipients, and self-help and welfare experts were consulted. The study, "Up From Dependency," concludes that our Nation's current welfare system is both inefficient and ineffective in meeting the needs of the poor and in providing opportunities and incentives for economic independence.

Currently our welfare system is a labyrinth of 59 major welfare programs that re-

quire some 6,000 pages of Federal regulations and cost more than \$132 billion in FY 1985. Welfare spending has soared since the 1960s, so that today some 52 million Americans, or one in five, benefit from welfare. All told, this spending is more than twice as great as the "poverty gap," or the amount it would take to lift all Americans above the official poverty level. Thus, many Americans who are not poor receive public assistance benefits, even as many others remain in poverty.

The study also found that our current array of welfare programs creates incentives that undermine the willingness to work and become self-reliant. Most welfare recipients say they want to work, but they also say they can often get more on welfare than they can earn in a full-time job. The study found that while current welfare pro-

grams provide valuable temporary help to families, that same help replaces the breadwinner and enables young mothers to raise children without fathers.

The study found that by parachuting benefits to individuals from faraway State and Federal capitals, our centralized welfare system also weakens communities. It undermines the implicit social contract among neighbors and neighborhoods that keeps any community peaceful, livable, and productive. Finally, while welfare rescues many Americans from short-term distress, it also mires too many in long-term, unwanted dependency.

I believe we can and must do better. I believe it is time to learn from the mistakes of our centralized welfare system by implementing a new national strategy that stresses grass-roots participation, State and local initiative, and creative ideas for reducing dependency and strengthening economically self-reliant families.

This strategy must build on the enterprise that individuals, communities, and State governments have shown in recent months and years by creating their own alternatives to the current welfare system. Federal legislation enacted since 1980 has given States greater, if still modest, latitude to undertake employment and training programs. The States have responded with reforms that put a premium on reducing dependency and instilling skills and a sense of pride among welfare recipients. This legislative proposal builds on that success by giving States greater flexibility to implement new ideas aimed at reducing welfare dependency. America's 50 States have always been laboratories for creative social change, and this initiative creates a process to tap that creativity.

This proposed legislation also encourages investment in the hundreds of self-help and anti-poverty initiatives now blossoming around the country. In cities and rural areas, thousands of low-income Americans have mobilized to help themselves, their neighbors, and their children. This pro-

posed legislation seeks to assist those efforts by encouraging local leaders to work with the States in creating welfare policies that will work best for their own communities and citizens. The bill recognizes that a single, national solution to the problem of poverty and welfare dependency cannot work for thousands of distinct communities. The proposed legislation encourages diverse solutions for diverse needs and communities.

Toward these ends, the bill authorizes the waiver of certain rules and requirements in Federal programs in order to promote demonstrations of innovative solutions to the problem of welfare dependency, while ensuring that the rights of families and individuals under Federal civil rights and other laws are protected in the demonstrations. The demonstrations offer opportunities to simplify the delivery of public assistance, to increase the self-sufficiency of low-income families and individuals, and to give States and communities greater flexibility to design public assistance policies that seem most appropriate for their own citizens. The waiver applies to any Federal or federally assisted program intended to alleviate poverty and that meet certain other requirements specified in the bill.

The bill also establishes an Interagency Low-Income Opportunity Assistance Board, with a chairman appointed by the President, to certify and evaluate demonstrations proposed by the States. Each State will be required to report annually on each demonstration.

I urge the Congress to act without delay on this important legislative proposal. I am confident that working together we can provide States and communities the means they need to assist low-income Americans in building lives of dignity and self-sufficiency.

RONALD REAGAN

The White House,
February 26, 1987.

Proclamation 5613—National Developmental Disabilities Awareness Month, 1987

February 26, 1987

By the President of the United States of America

A Proclamation

Nearly four million Americans have grown up with severe physical or mental impairments that have slowed their learning, limited their mobility, inhibited their expression, and rendered them dependent on others for care and assistance.

For many of these people with developmental disabilities there is now the prospect of a brighter future and greater opportunity. Americans are becoming increasingly aware that such disabilities need not keep individuals from realizing their full potential in school, at work or at home, as members of their families and of their communities.

New opportunities have been created through the efforts of those with developmental disabilities and their family members, along with professionals and officials at all levels of government. Working together, they have brought about significant changes in the public perception of young people and adults with developmental disabilities, opening new doors to independent and productive lives.

One important new milestone is the fruitful partnership between government and the private sector in finding productive employment for people with developmental disabilities, people who might otherwise have been destined to a lifetime of dependency. In the past 2 years, the Administration's Employment Initiative has resulted in

finding job opportunities for more than 87,000 people with developmental disabilities.

The Congress, by Public Law 99-483, has designated the month of March 1987 as "National Developmental Disabilities Awareness Month" and authorized and requested the President to issue a proclamation in observance of this event.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the month of March 1987 as National Developmental Disabilities Awareness Month. I invite all individuals, agencies, and organizations concerned with the problem of developmental disabilities to observe this month with appropriate observances and activities directed toward increasing public awareness of the needs and the potential of Americans with developmental disabilities. I urge all Americans to join me in according to our fellow citizens with such disabilities both encouragement and the opportunities they need to lead productive lives and to achieve their full potential.

In Witness Whereof, I have hereunto set my hand this twenty-sixth day of February, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:58 a.m., February 27, 1987]

Nomination of Daryl Arnold To Be United States Ambassador to Singapore

February 26, 1987

The President today announced his intention to nominate Daryl Arnold, of California, as Ambassador to the Republic of Singapore. He succeeds J. Stapelton Roy.

Mr. Arnold was associated with Family Farming in West Los Angeles, CA, 1946–1951. From 1951 to 1959, he was owner of the Cee Dee Ranch Co. (farming company) in Ventura, CA. He was partner/manager of Ocean View Farms (shipping company) in Ventura from 1960 to 1969. Mr. Arnold was division manager of Freshpet Foods in Ventura, 1969–1970, and president of the Free Marketing Council in Los Angeles, CA, 1970–1971. Since 1971 he has been president and chief executive officer of Western Growers Association in Irvine, CA. Additionally, Mr. Arnold served as a member of the Ventura County grand jury, 1983; member, U.S. Agricultural Technolo-

gy Advisory Committee to the Federal Energy Office, 1973; member, California Lieutenant Governor's Economic Development Committee; member, Agricultural Technical Committee, 1977, 1980, and 1983. He was appointed by the President as a member of the Board for International Food and Agricultural Development, 1982–1983, and a member of the Presidential Commission on the Conduct of U.S.-Japan Relations, 1983–1984. Mr. Arnold was named "Produce Man of the Year" in 1978.

He attended the University of Southern California, 1942–1944, and Midshipman School at Fort Schnyler, NY, in 1945. Mr. Arnold is married, has three children, and resides in Corona Del Mar, CA. He was born on November 12, 1924, in Santa Monica, CA.

Statement on the Resignation of Donald T. Regan and the Appointment of Howard H. Baker, Jr., as Chief of Staff

February 27, 1987

Donald T. Regan came to me many months ago to say he would like to return to private life in the near future. However, after the revelations about Iran, he indicated he would like to stay and help me and the administration through the investigations. Last week he indicated that with the release of the Tower board report he felt he would like to go through with his original plans to return to private life. I am therefore accepting with regret his resignation as Chief of Staff, effective today. Don Regan has served the administration and the Nation with distinction for 6 years—first as Secretary of the Treasury, and as my Chief of Staff for the last 2 years. I have known him as a friend and associate who has always put the Nation's interest first.

I am also pleased to announce that

Howard H. Baker, Jr., has agreed to serve as Chief of Staff to the President of the United States. Howard Baker is a distinguished American who has served as majority and minority leader of the United States Senate, a leader of the Republican Party, and a man of unquestioned integrity and ability.

I am enormously pleased that he is willing to take on this responsibility and to help me organize the White House staff for an aggressive 2 years of work. Howard and I have been friends for a number of years. I have the utmost respect and admiration for him. Howard expects to assume his new responsibilities early next week. I look forward to having him work with me in the months ahead.

Letter Accepting the Resignation of Donald T. Regan as Assistant to the President and Chief of Staff

February 27, 1987

Dear Don:

In accepting your resignation I want you to know how deeply grateful I am for all that you have done for this Administration and for our country. As Secretary of the Treasury you planted the seeds for the most far-reaching tax reform in our history. As Chief of Staff you worked tirelessly and effectively for the policies and programs we proposed to the Congress.

I know that you stayed on beyond the time you had set for your return to private life, and did so because you felt you could

be of help in a time of trouble. You were of help and I thank you. Whether on the deck of your beloved boat or on the fairway, in the words of our forefathers, may the sun shine warm upon your face, the wind be always at your back, and may God hold you in the hollow of His hand.

Sincerely,

RON

Note: The letter was released by the Office of the Press Secretary on February 28.

Radio Address to the Nation on Deficit Reduction

February 28, 1987

My fellow Americans:

When I asked John Tower, Edmund Muskie, and Brent Scowcroft to investigate the Iran affair, my attitude was: Let the chips fall where they may. I told you, the American people, that I wanted all the facts to come out. Well, the Board's effort is a demonstration of my commitment to find out what was wrong and fix it. Two days ago, as you know, the Tower board presented me with their report. I'm still studying it and continuing to consult with members of my Cabinet, the Congress, and other advisers. After a full evaluation, I'll speak to you again, midweek, about this issue in detail and about how we can move forward from here.

I also want to note that, after 6 years of outstanding service beginning as Secretary of the Treasury and then as Chief of Staff, Don Regan indicated to me some time ago that he would like to return to private life. So, yesterday I regretfully accepted his resignation. Don's been a friend and a valuable and trusted member of the administration. I'm pleased that Howard Baker has agreed to serve as my Chief of Staff. He's served our country with distinction as majority and

minority leader of the Senate and a leader of the Republican Party. I've known Howard for years and have enormous respect for his abilities and talents. He'll be here next week, and we're going to be wasting no time preparing for another 2 years of aggressive work.

And I want to talk to you today about one of the most important issues we'll be confronting. Over the last 2 years, as I campaigned steadily for tax reform, I spoke to you often about the need to rid our tax system of the special interests, those interests who put their advantage above the good of the Nation as a whole. Well, with bipartisan support we achieved a remarkable victory with tax reform, lowering rates and making it fairer for all Americans. But now that we've done that, another part of our government stands out in even starker contrast.

I'm talking about our budget process, which today is as rife as it ever was with favoritism and special pleading. My friends, this problem is crying out for reform. We got the special interests out of the tax code, and now it's time to get them out of the budget process. Until then, our economic

prosperity will never be safe. The pressures for more and more Federal spending will grow until they burst through all remaining constraints. We'll be back where we were 7 years ago with Federal spending running wildly out of control. And you know what will happen then: As surely as night follows day, huge new tax burdens will be thrust on the American people. Inflation will come back in force. And our economic expansion and the millions of jobs we created—well, that'll only be a memory.

That's not a happy scenario, and we must do everything we can to keep it from occurring. As you well know, Gramm-Rudman-Hollings is today the most important check on congressional overspending. Its guidelines promise us a gradual phaseout of the deficit and a balanced budget by 1991. When it was passed in 1985, it was hailed by both Democrats and Republicans as a legislative triumph. Finally, Congress seemed to be serious about getting its budget house in order. But now some in the Congress want to back away from their commitment to cut deficit spending. Some have even suggested that we cancel the second round of tax rate cuts scheduled to take place in 1988 as part of our tax reform bill. Well, let me say this as plainly and simply as possible: That's just not accepta-

ble. We must keep our promises to the American people. There's no going back on either Gramm-Rudman-Hollings or tax reform. I have submitted a budget that meets the Gramm-Rudman-Hollings deficit limit for fiscal year 1988. It's a good budget, a sound budget. It will keep us on track toward eliminating deficit spending and help build the foundation for a continued economic expansion with low inflation, high job creation, and a reduced trade deficit.

So, don't believe them when they say it can't be done. Congress can keep its Gramm-Rudman-Hollings commitment if it wants to; it only has to want to. And that's where you come in. Speak out loud and clear. It's time to rise above politics and self-interest. It's time once and for all to end deficit spending. That's why I have long supported passing a constitutional amendment that would make balanced budgets mandatory. Then we wouldn't have to fight this battle all year, every year. America could greet the future confident that the monster of deficit spending was locked away forever in its cage.

Until next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from the Oval Office at the White House.

Letter From Robert M. Gates Requesting the Withdrawal of His Nomination To Be Director of Central Intelligence

March 2, 1987

Dear Mr. President:

It is apparent that there is strong sentiment in the Senate to await completion, at minimum, of the work of the Senate Select Committee on Iran before acting on my nomination. I believe a prolonged period of uncertainty would be harmful to the Central Intelligence Agency, the Intelligence Community and potentially to our national security. Accordingly, I respectfully request

that you withdraw my nomination to be Director of Central Intelligence. I am deeply honored that you chose me for this high position and I pledge my full support and assistance to whomever you select, and the Senate confirms, as the next Director.

Sincerely,

ROBERT M. GATES

Statement on the Withdrawal of the Nomination of Robert M. Gates To Be Director of Central Intelligence

March 2, 1987

With great regret I have agreed to Robert Gates' request that his name be withdrawn as the nominee to be Director of Central Intelligence. I met with Bob this afternoon. He asked me to withdraw his nomination rather than proceed with extended consideration by the Senate.

I have asked Bob to continue serving as Deputy Director of Central Intelligence under the new Director, and I look forward to working with him during the next 2 years. He is a remarkably talented and dedicated man, who has served five Presi-

dents with great professional skill and integrity. I have been impressed with the class he has shown under the enormous pressures of recent weeks. At any other time, I am certain that he would easily have been confirmed without delay. It is clear that at this point confirmation proceedings would not be in the interest of the CIA or the Nation. Mr. Gates has done an outstanding job as Acting Director and will continue to serve in this capacity until a new Director is confirmed.

Message to the Congress Transmitting the Annual Report on Nuclear Nonproliferation for 1986

March 2, 1987

To the Congress of the United States:

I have reviewed the activities of United States Government departments and agencies during the calendar year 1986 related to the prevention of nuclear proliferation, and I am pleased to submit my annual report pursuant to Section 601(a) of the Nuclear Non-Proliferation Act of 1978 (Public Law 95-242).

The report concludes that the United States continued to make significant progress during 1986 in its efforts to

achieve its non-proliferation goals.

A central objective of my Administration has been the prevention of the spread of nuclear explosives to additional countries. I intend to continue my pursuit of this goal with unflagging determination and a deep sense of personal commitment.

RONALD REAGAN

The White House,
March 2, 1987.

Nomination of Robert H. Pelletreau, Jr., To Be United States Ambassador to Tunisia

March 2, 1987

The President today announced his intention to nominate Robert H. Pelletreau, Jr., of Connecticut, a career member of the Senior Foreign Service, Class of Minister Counselor, as Ambassador to the Republic of Tunisia. He succeeds Peter Sebastian.

Before entering the Foreign Service in 1962, Mr. Pelletreau was a law associate with Chadbourne, Parke, Whiteside and Wolff in New York City. He took Arabic language training in Tangier, Morocco, 1962-1963, and was assigned as a junior of-

ficer in Nouakchott, Mauritania, 1963–1964. He returned to Washington, DC, in 1964 and served as an international relations officer on the Guinea/Mali desk. He was then assigned language and area training in Beirut, Lebanon, 1966–1967, to be followed in 1968–1970 as political officer in Amman, Jordan. In 1971 he was detailed to the Armed Forces Staff College in Norfolk, VA. From there he became international relations officer on the Morocco/Mauritania desk in the State Department until 1973 when he went to Algiers, Algeria, as political officer. In 1975 Mr. Pelletreau became deputy chief of mission in Damascus, Syria, and in 1979 he was appointed Ambassador to the state of Bahrain. He was then de-

tailed to the Pentagon as Deputy Assistant Secretary of Defense for Near East and South Asia, 1980–1981. He returned to the State Department in 1981–1982 as country director for Arabian peninsula affairs and in 1983–1985 served as Deputy Assistant Secretary of State for Near Eastern and South Asian Affairs. Since 1985 he has been Deputy Assistant Secretary of Defense for Near East and South Asia.

He graduated from Yale University (B.A., 1957) and Harvard Law School (LL.B., 1961). Mr. Pelletreau's foreign languages are French, Arabic, and Spanish. He is married, has three children, and resides in Washington, DC. Mr. Pelletreau was born July 9, 1935, in Patchogue, NY.

Nomination of Midge Decter To Be a Member of the Advisory Board for Radio Broadcasting to Cuba

March 2, 1987

The President today announced his intention to nominate Midge Decter to be a member of the Advisory Board for Radio Broadcasting to Cuba for a term expiring October 27, 1989. This is a reappointment.

She has served on this board since October 1985. Since 1980 Ms. Decter has been

executive director, Committee for the Free World, New York, NY. Previously she was senior editor, Basic Books, 1975–1980. Ms. Decter is married, has four children, and resides in New York City. She was born July 25, 1927, in St. Paul, MN.

Nomination of Two Members of the National Council on the Handicapped, and Designation of Chairperson

March 2, 1987

The President today announced his intention to nominate the following individuals to be members of the National Council on the Handicapped for terms expiring September 17, 1989:

Sandra Swift Parrino, of New York. This is a reappointment. Upon confirmation she will be redesignated Chairperson. Mrs. Parrino was first appointed as a member of the Council in October 1982 and as Chairman of the Council in November 1983. Prior to this she was director, Office of the Disabled, Ossining, NY, 1979–

1981. Mrs. Parrino was born June 22, 1934, in New Haven, CT.

Alvis Kent Waldrep, Jr., of Texas. This is a reappointment. Mr. Waldrep was first appointed to this board in October 1982. Since 1979 he has served as founder and chief executive officer, Kent Waldrep International, Spinal Cord Research Foundation, of Dallas, TX. Prior to this he was assistant sports information director, Texas Christian University, 1977–1979. Mr. Waldrep was born March 2, 1954, in Austin, TX.

Nomination of Three Members of the National Council on the Humanities

March 2, 1987

The President today announced his intention to nominate the following individuals to be members of the National Council on the Humanities, National Foundation on the Arts and the Humanities:

For terms expiring January 26, 1992:

Paul J. Olscamp, of Ohio. He would succeed Anita Silvers. Since 1982 Dr. Olscamp has been president, Bowling Green State University, Bowling Green, OH. Prior to this he was professor of philosophy and president, Western Washington University, Bellingham, WA, 1975–1982. He graduated from the University of Western Ontario (B.A., 1958; M.A., 1960) and the University of Rochester (Ph.D., 1962). Dr. Olscamp is married, has two children, and resides in Bowling Green, OH. He was born August 29, 1937, in Montreal, Canada.

Anne Paolucci, of New York. She would succeed Frances Dodson. Since 1969 she has been a professor of English, College of Liberal Arts and Sciences, St. John's University, and has served as chair of the department since 1982.

Dr. Paolucci graduated from Barnard College (B.A., 1947) and Columbia University (M.A., 1950; Ph.D., 1963). She is married and resides in Beechurst, NY. Dr. Paolucci was born July 31, 1926, in Rome, Italy.

For the remainder of the term expiring January 26, 1990:

Jean Vaughan Smith, of California. She would succeed Helen Marie Taylor. Mrs. Smith is active in civic and community activities. She currently serves with the following organizations: member, board of directors, Beneficial Standard, since 1976; member, board of directors, volunteer, the National Center for Citizen Involvement, since 1977; corporate board of directors, the United Way, Inc., of Los Angeles, since 1975; and member of the advisory board, the Salvation Army, since 1979. Mrs. Smith serves as a member of the President's Commission on White House Fellowships. She is married, has one child, and resides in San Marino, CA. Mrs. Smith graduated from Stanford University (B.A., 1940). She was born August 15, 1918, in Los Angeles, CA.

Proclamation 5614—Hatch Act Centennial, 1987

March 2, 1987

*By the President of the United States
of America*

A Proclamation

For a century, we Americans and people around the world have benefitted tremendously from the agricultural research and training provided by our national system of agricultural experiment stations at our State land-grant colleges. This system was initiated by the Hatch Act, which President Grover Cleveland signed into law on March 2, 1887. In celebrating the Centennial of this legislation, we pay much-deserved tribute to our agricultural researchers of the present and to the generations of dedicated scientists who preceded them in this essential work.

Americans promoted agricultural educa-

tion from the start. Private societies achieved much progress, and farmers, stimulated by nearly limitless opportunity, eagerly took advantage of new scientific knowledge. Public support for agricultural research grew because the results were so obviously beneficial. In the early and mid-19th century, specialized schools of agriculture appeared. The United States Department of Agriculture was founded in 1862; one of its missions was to acquire and diffuse agricultural information. The Morrill Act, which President Abraham Lincoln signed into law in 1862, provided for the creation of land-grant agricultural colleges in most States.

Despite these welcome developments, a generation later much remained to be

done. It was then that William Henry Hatch, a Congressman from Missouri, proposed agricultural experiment stations for research and training. Today we know that the adoption of the Hatch Act of 1887 was one of the most significant steps ever taken in American agriculture.

It is no exaggeration to say that the wealth of technical knowledge developed at these stations has enabled America's farmers to revolutionize the practice of agriculture and bettered life for millions of people the world over. The existence of these institutions and the abilities of the scientists trained there ensure that future generations will continue to enjoy the benefits of agricultural research.

In recognition of the vital role of State agricultural experiment stations in American agriculture, the Congress, by House Joint Resolution 3, has designated March 2,

1987, as the Centennial of the signing of the Hatch Act of 1887 and authorized and requested the President to issue a proclamation in observance of this event.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim March 2, 1987, as the Centennial of the signing of the Hatch Act of 1887, and I call upon the people of the United States to observe this day with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this second day of March, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 12:26 p.m., March 3, 1987]

Statement on the Death of Danny Kaye

March 3, 1987

A comedian, actor, singer, and conductor, Danny Kaye delighted millions the world over with his special talent for making us laugh. His numerous credits on Broadway, on the screen, and on television were all characterized by his devotion to his craft. Even though he was just acting, his genuine love for people came through. Children, es-

pecially, felt his warmth and humanity, and he enjoyed a special bond with his young audiences. Danny Kaye could light up a room just by smiling. He shared his talent with the world, and by so doing, made it a better place. He will be missed, and Nancy joins me in extending our deep sympathy to his family.

Remarks to Reporters on Intermediate-Range Nuclear Force Reductions

March 3, 1987

Working closely with our friends and allies in Europe and Asia, the United States has pursued—ever since my initial proposal of November 1981—deep, equitable, and verifiable reductions of land-based U.S. and Soviet longer range INF missiles, with the objective of their complete global elimination. Most recently we've been preparing a

detailed treaty text to implement these agreed objectives and to follow the specific formula on which Mr. Gorbachev and I agreed at our meeting in Iceland last October. This calls for reductions to an interim global ceiling of 100 warheads on U.S. and Soviet longer range INF missiles, with none in Europe, along with constraints on shorter

range INF missiles and provisions for effective verification. I remain firmly committed to these objectives.

Having long sought progress in this area, therefore, I welcome the statement by Soviet General Secretary Gorbachev on Saturday that the Soviet Union will no longer insist on linking agreement on reductions in INF to agreements in other negotiations. This removes a serious obstacle to progress toward INF reductions and is consistent with the understanding which Mr. Gorbachev and I reached at our 1985 Geneva summit meeting: that we would indeed seek a separate agreement in this important area. I want to congratulate our allies for their firmness on this issue. Obviously, our strength of purpose has led to progress. To seize this new opportunity, I have instructed our negotiators to begin the presentation of our draft INF treaty text in Geneva tomorrow. I hope that the Soviet Union will then proceed with us to serious discussion of the details which are essential to translate areas of agreement in principle into a concrete agreement. And I want to stress that of the important issues which remain to be resolved none is more important than verification. Because we're committed to genuine and lasting arms reductions and to

ensuring full compliance, we will continue to insist that any agreement must be effectively verifiable.

To explore further the implications of these latest developments, I have also asked our senior negotiators in Geneva—Ambassadors Max Kampelman, Mike Glitman, and Ron Lehman—to return to Washington to meet with me later this week. Following these discussions in Washington, I will send a team back to Geneva to take up once again the detailed negotiations for an INF reductions agreement. We'll continue, at the same time, our very close consultations on INF issues with our friends and allies in Europe and Asia. It was, after all, allied firmness and unity in carrying out NATO's 1979 decision which helped to bring the Soviet Union back to the negotiating table and led to this opportunity to achieve a reductions agreement to the mutual benefit of both East and West. And as we proceed, it is well to remember that nothing is more important to the cause of peace than the credibility of our commitment to NATO and our other allies and to the vitality of these alliances of free nations.

Note: The President spoke to reporters at 3:30 p.m. in the Briefing Room at the White House.

Proclamation 5615—National Year of the Americas, 1987 March 3, 1987

*By the President of the United States
of America*

A Proclamation

The countries of the Western Hemisphere enjoy a special relationship, influenced by the accidents of geography and our common heritage as nations of the New World. The vast majority of our lands represent a mix of native groups of ancient lineage and a much larger population of immigrants from other shores. Today virtually every nationality is represented in our Hemisphere. Our diversity is truly astonishing, but there exists in us a common thread of restiveness and exploration, a longing to

build lives of freedom and quiet dignity and to share the fruits of our discoveries with one another and the entire world.

As the 20th century nears its close, we have an opportunity to reflect on the direction in which relations among the peoples of the Americas have evolved. In a century marked by sporadic regional conflicts and two world wars, we have nonetheless seen ample evidence for the conclusion that the bonds of friendship and aspiration among us are stronger than ever. The sometimes rugged terrain we have crossed and the horizons we still must reach should not daunt our spirit or dim our optimism—what re-

mains to be achieved for the Americas can be the source of both our hopes and the energy to achieve them.

The National Year of the Americas celebration will focus on the links that bind the nations of the Western Hemisphere into "The Americas." It will emphasize the enhancement of our citizens' understanding of their neighbors to the north and south, and it will underscore just how much there is to celebrate in this era of hemispheric change and opportunity.

The most important cause for joy is the new chapter that our decade is writing in the story of liberty. Since 1979, the process of democratization has strengthened the community of purpose among American peoples. During that period, the people of ten Latin American nations have expressed their determination, through the ballot box, to turn from oligarchy to democracy. The time is right for our countries to defend and work to extend democracy and respect for human rights throughout the hemisphere.

The tenth Pan American Games, which will be held in Indianapolis in 1987, provide an opportunity to bring together the peoples of Latin America, the West Indies, Canada, and the United States. The Games will celebrate our diversity and our unity, our interdependence and our shared future.

They will foster mutual respect and understanding.

In recognition of the opportunity afforded by the Pan American Games, the Congress, by joint resolution approved July 3, 1986 (Public Law 99-356), has designated 1987 as "The National Year of the Americas" and authorized and requested the President to issue a proclamation calling upon Federal, State, and local government agencies, private organizations, and the people of the United States to observe the year with appropriate programs, ceremonies, and activities.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the year of 1987 as The National Year of the Americas, and I urge our citizens to focus their attention on our hemisphere as united in spirit during this year.

In Witness Whereof, I have hereunto set my hand this third day of March, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:23 a.m., March 4, 1987]

Message to the Congress on Economic Assistance for Central America

March 3, 1987

To the Congress of the United States:

The one hundred million dollars in assistance for the Nicaraguan democratic resistance approved by the Congress in October of last year was intended as only one aspect of an integrated, comprehensive approach for United States efforts to promote economic and political development, peace, stability, and democracy in Central America and to encourage a negotiated resolution of the conflict in the region. In that law (Title II of the Act making appropriations for military construction for the fiscal year ending September 30, 1987, as contained in Public

Laws 99-500 and 99-591, hereinafter "the Act"), the Congress recognized, as does the Executive branch, that the Central American crisis has its roots in a long history of social injustice, extreme poverty, and political oppression. These conditions create discontent, which is often exploited by communist guerrillas in their war against democracy. The focus of United States policy in Central America goes beyond the military aspects of the problem. To help address the underlying social and economic causes of conflict in the region, the Con-

gress directed that additional economic assistance be made available for four Central American democracies: Costa Rica, El Salvador, Guatemala, and Honduras.

Progress Toward Democracy

Democracy is making great strides in these four countries. Their progress in building societies in which their citizens enjoy freedom of choice and equal justice under law stands in marked contrast to the totalitarian subjugation suffered by the Nicaraguan people. This progress, however, cannot be sustained without concurrent economic growth. Political freedom cannot prosper in an environment of hunger and despair. Nor, as found by the National Bipartisan Commission on Central America (NBCCA), can we expect the Central American democracies to recover from a severe economic recession without significant outside assistance. The Central American democracies cannot attract adequate private investment to achieve sustainable economic growth in the current environment of violence and subversion. The four democratic nations of Central America will have little appeal for investors as long as there is an aggressive communist regime nearby—a militant regime bent on ideological expansion and already in command of the largest army in the history of Central America.

Congressional Attempt to Aid the Democracies

To help the Central American democracies preserve their hard-earned progress in making democracy work, the Congress in October 1986 approved in section 205 of the Act the transfer of three hundred million dollars in unobligated funds for economic assistance to the Central American democracies. Title III of the Act also appropriated an additional three hundred million dollars for this purpose, to be available through fiscal year 1987. Unfortunately, despite the best intentions of those in the Congress who supported the additional assistance for Central America and despite this Administration's strong support for that assistance, the Foreign Assistance Appropriations Act mandated that the three hundred million dollars be regarded as part of the specified (and very limited) FY 1987

worldwide total for economic support fund assistance, thus precluding us from considering this sum as additional assistance. As a practical result there could be no increased aid for Central America. When this became apparent, we shared the great disappointment of bipartisan supporters in the Congress, not to mention the Central Americans who were counting on this assistance after it had been approved in both the Senate and the House of Representatives.

Report to Congress on Assistance Needs

Clearly, there is the desire in the Congress to make good on this commitment. Toward that end, there is a provision in the law that the Executive branch should develop a plan for fully funding the assistance to the Central American democracies proposed in the January 1984 report of the National Bipartisan Commission on Central America. I am transmitting that plan to the Congress with this message.

The Bipartisan Commission determined that the Central American crisis was the result of a long history of interrelated political, security, and socio-economic conditions and recommended a greatly expanded financial assistance program for the years 1984–89. The Central American Democracy, Peace and Development Initiative (CAI), transmitted to the Congress in February 1984, was designed to accomplish most of the NBCCA's recommendations. This program concentrated on strengthening democratic institutions, arresting economic decline while promoting stabilization and recovery, and increasing the benefits of growth. Results in the political sector have been more rapid than anticipated. In the economic and social areas much also has been achieved. Nevertheless, this progress remains fragile and much remains to be done. The plan herewith transmitted to the Congress proposes a 3-year extension of the program's execution until 1992. The extension would increase the total amount of funds originally recommended in the CAI for the period FY 1984 to FY 1989 from \$6.4 billion to \$6.9 billion in appropriated funds for the period FY 1984 to FY 1992. As economic recovery in the region proceeds, the benefits of growth, economic,

and political stabilization will be enjoyed by an ever-increasing percentage of the region's population.

After reviewing the findings of this study, I have concluded that additional assistance is required immediately in order to help meet the economic goals of the Bipartisan Commission and to keep faith with the millions of men and women who through hard work and sacrifice are making democracy a living reality in Central America.

This assistance is urgently required to help meet the great economic and social needs of the struggling democratic governments of the region. By generating conditions of violence in Central America that undermine prospects for economic growth, the communist government of Nicaragua works to discredit the democratic system as a viable alternative for development. To offset this effort, it is the responsibility of the friends of democracy to help Central America's democrats prove that even in adversity democracy offers their people a better way of life. The Soviet Union and its allies have provided the Sandinista regime military hardware and sufficient economic aid to keep Nicaragua's failed economy afloat. The United States must help those small nations in Central America that have chosen freedom.

Request for Additional Assistance

To carry out the recommendations contained in the report being forwarded to the Congress, section 215(2) of the Act further

provides expedited procedures for requests from the President for additional economic assistance for the Central American democracies. I hereby request that such expedited consideration be given to my request for an additional \$300,000,000 for fiscal year 1987 as economic support fund assistance for Costa Rica, El Salvador, Guatemala, and Honduras, notwithstanding section 10 of Public Law 91-672.

In order to assure that this additional assistance is fully consistent with applicable requirements of law and sound budget principles, I further request that the amounts made available for this additional economic assistance for Central America be transferred from unobligated balances in such accounts as I may designate for which appropriations were made by the Department of Defense Appropriations Act, 1985 (as contained in Public Law 98-473); the Department of Defense Appropriations Act, 1986 (as contained in Public Law 99-190); the Department of Defense Appropriations Act, 1987 (as contained in Public Laws 99-500 and 99-591); and the Department of State Appropriations Act, 1987 (as contained in Public Laws 99-500 and 99-591).

I urge the prompt enactment of a joint resolution expressing approval of this request.

RONALD REAGAN

The White House,
March 3, 1987.

Executive Order 12585—Eligibility of Overseas Employees for Noncompetitive Appointment

March 3, 1987

By the authority vested in me as President by the laws of the United States of America, including sections 3301 and 3302 of title 5 of the United States Code, and in order to expand the eligibility of certain former overseas employees for noncompetitive appointment in the competitive service, it is hereby ordered as follows:

Section 1. Section 1 of Executive Order

No. 12362 of May 12, 1982, is amended as follows:

(a) by inserting after "employee" the following: " , a nonappropriated fund employee;";

(b) by striking out "24" and inserting in lieu thereof "18"; and

(c) by adding at the end thereof the following new sentence: "The employing

agency in the United States may waive a requirement for a written test for an individual appointed under this Order if the agency determines that the duties and responsibilities of the position occupied overseas were similar enough to those of the position to which the individual is being appointed under this Order to make the written test unnecessary.”.

Sec. 2. Section 2(b) of Executive Order No. 12362 is amended by striking out “24” and inserting in lieu thereof “18”.

Sec. 3. Section 2(d) of Executive Order No. 12362 is amended to read as follows:

“(d) have been a family member of an appropriate sponsor (a civilian employee, a nonappropriated fund employee, or a member of a uniformed service) while serv-

ing in the overseas position or positions;”.

Sec. 4. Section 2(e) of Executive Order No. 12362 is amended by striking out “civilian or uniformed”.

Sec. 5. Section 2(f) of Executive Order No. 12362 is amended to read as follows:

“(f) exercise the eligibility for noncompetitive appointment within three years of returning to the United States, unless a longer period of eligibility is approved by the Office of Personnel Management in a particular case due to hardship.”.

RONALD REAGAN

The White House,
March 3, 1987.

[Filed with the Office of the Federal Register, 10:24 a.m., March 4, 1987]

Executive Order 12586—Amendments to the Manual for Courts-Martial, United States, 1984

March 3, 1987

By the authority vested in me as President by the Constitution of the United States and by chapter 47 of title 10 of the United States Code (Uniform Code of Military Justice), in order to prescribe amendments to the Manual for Courts-Martial, United States, 1984, prescribed by Executive Order No. 12473, as amended by Executive Order No. 12484 and Executive Order No. 12550, it is hereby ordered as follows:

Section 1. Part II of the Manual for Courts-Martial, United States, 1984, is amended as follows:

a. R.C.M. 201(e) is amended as follows:

(1) Paragraph (2) is amended to read as follows:

“(2)(A) A commander of a unified or specified combatant command may convene courts-martial over members of any of the armed forces.

“(B) So much of the authority vested in the President under Article 22(a)(9) to empower any commanding officer of a joint command or joint task force to convene courts-martial is delegated to the Secretary

of Defense, and such a commanding officer may convene general courts-martial for the trial of members of any of the armed forces.

“(C) A commander who is empowered to convene a court-martial under subsections (e)(2)(A) or (e)(2)(B) of this rule may expressly authorize a commanding officer of a subordinate joint command or subordinate joint task force who is authorized to convene special and summary courts-martial to convene such courts-martial for the trial of members of other armed forces under regulations which the superior command may prescribe.”.

(2) Subparagraph (3)(A) is amended to read as follows:

“(A) The court-martial is convened by a commander authorized to convene courts-martial under subsection (e)(2) of this rule; or”.

(3) The following new paragraphs are inserted at the end thereof:

“(6) When there is a disagreement between the Secretaries of two military departments or between the Secretary of a military department and the commander of

a unified or specified combatant command or other joint command or joint task force as to which organization should exercise jurisdiction over a particular case or class of cases, the Secretary of Defense or an official acting under the authority of the Secretary of Defense shall designate which organization will exercise jurisdiction.

“(7) Except as provided in subsections (5) and (6) or as otherwise directed by the President or Secretary of Defense, whenever action under this Manual is required or authorized to be taken by a person superior to—

“(A) a commander of a unified or specified combatant command or;

“(B) a commander of any other joint command or joint task force that is not part of a unified or specified combatant command, “the matter shall be referred to the Secretary of the armed force of which the accused is a member. The Secretary may convene a court-martial, take other appropriate action, or, subject to R.C.M. 504(c), refer the matter to any person authorized to convene a court-martial of the accused.”.

b. Chapter II is amended by inserting the following new Rule following R.C.M. 203:

“Rule 204. Jurisdiction over reserve component personnel

“(a) *Service regulations.* The Secretary concerned shall prescribe regulations setting forth rules and procedures for the exercise of court-martial jurisdiction and nonjudicial punishment authority over reserve component personnel under Articles 2(a)(3) and 2(d), subject to the limitations of this Manual and the UCMJ.

“(b)(1) *General and special court-martial proceedings.* A member of a reserve component must be on active duty prior to arraignment at a general or special court-martial. A member ordered to active duty pursuant to Article 2(d) may be retained on active duty to serve any adjudged confinement or other restriction on liberty if the order to active duty was approved in accordance with Article 2(d)(5), but such member may not be retained on active duty pursuant to Article 2(d) after service of the confinement or other restriction on liberty. All punishments remaining unserved at the time the member is released from active duty may be carried over to subse-

quent periods of inactive-duty training or active duty.

“(2) *Summary courts-martial.* A member of a reserve component may be tried by summary court-martial either while on active duty or inactive-duty training. A summary court-martial conducted during inactive-duty training may be in session only during normal periods of such training. The accused may not be held beyond such periods of training for trial or service of any punishment. All punishments remaining unserved at the end of a period of active duty or the end of any normal period of inactive duty training may be carried over to subsequent periods of inactive-duty training or active duty.

“(c) *Applicability.* This subsection is not applicable when a member is held on active duty pursuant to R.C.M. 202(c).

“(d) *Changes in type of service.* A member of a reserve component at the time disciplinary action is initiated, who is alleged to have committed an offense while on active duty or inactive-duty training, is subject to court-martial jurisdiction without regard to any change between active and reserve service or within different categories of reserve service subsequent to commission of the offense. This subsection does not apply to a person whose military status was completely terminated after commission of an offense.”.

c. R.C.M. 503(a)(2) is amended by inserting in the first sentence “orally on the record or” after “request”.

d. R.C.M. 701(b)(2) is amended by striking out “a mental disease, defect, or other condition bearing upon the guilt of the accused” and inserting in lieu thereof “the defense of lack of mental responsibility”.

e. R.C.M. 706(c)(1) is amended to read as follows:

“(1) *By whom conducted.* When a mental examination is ordered under subsection (b) of this rule, the matter shall be referred to a board consisting of one or more persons. Each member of the board shall be either a physician or a clinical psychologist. Normally, at least one member of the board shall be either a psychiatrist or a clinical psychologist. The board shall report as to the mental capacity, mental responsibility, or

both of the accused.”.

f. R.C.M. 706(c)(2) is amended as follows:

(1) Subsection (A) is amended to read as follows:

“(A) At the time of the alleged criminal conduct, did the accused have a severe mental disease or defect? (The term “severe mental disease or defect” does not include an abnormality manifested only by repeated criminal or otherwise antisocial conduct, or minor disorders such as nonpsychotic behavior disorders and personality defects.)”;

(2) Subsection (C) is amended to read as follows:

“(C) Was the accused, at the time of the alleged criminal conduct and as a result of such severe mental disease or defect, unable to appreciate the nature and quality or wrongfulness of his or her conduct?”; and

(3) Subsection (D) is deleted and subsection (E) is redesignated as subsection (D).

g. R.C.M. 707 is amended—

(1) in subsection (a)—

(a) by striking “or” in subsection (1);

(b) by striking the period at the end of subsection (2) and inserting in lieu thereof “; or”; and

(c) by inserting the following new paragraph at the end thereof:

“(3) Entry on active duty under R.C.M. 204.”; and

(2) in subsection (c) by redesignating paragraph (8) as paragraph (9) and by inserting the following new paragraph after paragraph (7):

“(8) Any period of delay, not exceeding 60 days, occasioned in processing and implementing a request pursuant to R.C.M. 204 to order a member of a reserve component to active duty for disciplinary action.”.

h. R.C.M. 903 is amended—

(1) in subsection (b)(1) by inserting “or shall be made orally on the record” after “signed by the accused”;

(2) in subsection (c)(1)—

(a) by striking out “receipt” and inserting in lieu thereof “notice”;

(b) by striking out “timely written request” and inserting in lieu thereof “timely request”; and

(c) by inserting a comma after “enlisted accused”; and

(3) in subsection (c)(3) by striking out

“written”.

i. R.C.M. 916 is amended as follows:

(1) Subsection (b) is amended by striking out “Once” and inserting in lieu thereof “Except for the defense of lack of mental responsibility, once” and by inserting the following new sentence at the end thereof: “The accused has the burden of proving the defense of lack of mental responsibility by clear and convincing evidence.”;

(2) Subsection (e)(1) is amended to read as follows:

“(1) *Homicide or assault cases involving deadly force.* It is a defense to a homicide, assault involving deadly force, or battery involving deadly force that the accused:

“(A) Apprehended, on reasonable grounds, that death or grievous bodily harm was about to be inflicted wrongfully on the accused; and

“(B) Believed that the force the accused used was necessary for protection against death or grievous bodily harm.”;

(3) Subsection (k)(1) is amended to read as follows:

“(1) *Lack of mental responsibility.* It is an affirmative defense to any offense that, at the time of the commission of the acts constituting the offense, the accused, as a result of a severe mental disease or defect, was unable to appreciate the nature and quality or the wrongfulness of his or her acts. Mental disease or defect does not otherwise constitute a defense.”;

(4) Subsection (k)(2) is amended to read as follows:

“(2) *Partial mental responsibility.* A mental condition not amounting to a lack of mental responsibility under subsection (k)(1) of this rule is not a defense, nor is evidence of such a mental condition admissible as to whether the accused entertained a state of mind necessary to be proven as an element of the offense.”; and

(5) Subsection (k)(3)(A) is amended by striking out “some evidence to the contrary is admitted” and inserting in lieu thereof “the accused establishes, by clear and convincing evidence, that he or she was not mentally responsible at the time of the alleged offense”.

j. R.C.M. 918(a) is amended—

(1) in subsection (1) by inserting “not

guilty only by reason of lack of mental responsibility;" after "guilty of any substitutions;" and

(2) in subsection (2) by inserting "not guilty only by reason of lack of mental responsibility;" after "Article —";

k. R.C.M. 920(e)(5)(D) is amended by inserting the following at the end thereof: "[When the issue of lack of mental responsibility is raised, add:] However, the burden of proving the defense of lack of mental responsibility by clear and convincing evidence is upon the accused."

l. R.C.M. 921(c) is amended—

(1) by redesignating subsections (4) and (5) as (5) and (6) respectively; and

(2) by inserting the following new subsection after subsection (3):

"(4) *Not guilty only by reason of lack of mental responsibility.* When the defense of lack of mental responsibility is in issue under R.C.M. 916(k)(1), the members shall first vote on whether the prosecution has proven the elements of the offense beyond a reasonable doubt. If at least two-thirds of the members present (all members for offenses where the death penalty is mandatory) vote for a finding of guilty, then the members shall vote on whether the accused has proven lack of mental responsibility. If a majority of the members present concur that the accused has proven lack of mental responsibility by clear and convincing evidence, a finding of not guilty only by reason of lack of mental responsibility results. If the vote on lack of mental responsibility does not result in a finding of not guilty only by reason of lack of mental responsibility, then the defense of lack of mental responsibility has been rejected and the finding of guilty stands."

m. R.C.M. 924(b) is amended by inserting the following new sentence before the last sentence thereof: "Any finding of not guilty only by reason of lack of mental responsibility shall be reconsidered on the issue of the finding of guilty of the elements if more than one-third of the members vote for reconsideration, and on the issue of mental responsibility if a majority vote for reconsideration."

n. R.C.M. 1001(b)(2) is amended by striking out "all those records" in the second paragraph and inserting in lieu thereof "any

records".

o. R.C.M. 1003(c) is amended—

(1) by redesignating subsection (3) as subsection (4); and

(2) by inserting the following new subsection after subsection (2):

"(3) *Based on reserve status in certain circumstances.*

"(A) *Restriction on liberty.* A member of a reserve component whose order to active duty is approved pursuant to Article 2(d)(5) may be required to serve any adjudged restriction on liberty during that period of active duty. Other members of a reserve component ordered to active duty pursuant to Article 2(d)(1) or tried by summary court-martial while on inactive duty training may not—

"(i) be sentenced to confinement; or

"(ii) be required to serve a court-martial punishment consisting of any other restriction on liberty except during subsequent periods of inactive-duty training or active duty.

"(B) *Forfeiture.* A sentence to forfeiture of pay of a member not retained on active duty after completion of disciplinary proceedings may be collected from active duty and inactive-duty training pay during subsequent periods of duty."

p. R.C.M. 1010(c) is amended to read as follows:

"(c) The right to apply for relief from the Judge Advocate General if the case is neither reviewed by a Court of Military Review nor reviewed by the Judge Advocate General under R.C.M. 1201(b)(1); and".

q. R.C.M. 1105(c) is amended by—

(1) amending subsection (1) to read as follows:

"(1) *General and special courts-martial.* After a general or special court-martial, the accused may submit matters under this rule within the later of 10 days after a copy of the authenticated record of trial or, if applicable, the recommendation of the staff judge advocate or legal officer is served on the accused. If the accused shows that additional time is required for the accused to submit such matters, the convening authority may, for good cause, extend the 10-day period for not more than 20 additional days.";

(2) striking out subsection (2);

(3) redesignating subsections (3), (4) and (5) as subsections (2), (3) and (4) respectively; and

(4) amending the last sentence of redesignated subsection (2) to read as follows: "If the accused shows that additional time is required for the accused to submit such comments, the convening authority may, for good cause, extend the period in which comments may be submitted for up to 20 additional days."

r. R.C.M. 1106(f)(5) is amended by striking out "5 days from receipt" and inserting in lieu thereof "10 days from service of the record of trial under R.C.M. 1104(b) or receipt of the recommendation, whichever is later,".

s. R.C.M. 1107(b)(5) is amended to read as follows:

"(5) *Action when accused lacks mental capacity.* The convening authority may not approve a sentence while the accused lacks mental capacity to understand and to conduct or cooperate intelligently in the post-trial proceedings. In the absence of substantial evidence to the contrary, the accused is presumed to have the capacity to understand and to conduct or cooperate intelligently in the post-trial proceedings. If a substantial question is raised as to the requisite mental capacity of the accused, the convening authority may direct an examination of the accused in accordance with R.C.M. 706 before deciding whether the accused lacks mental capacity, but the examination may be limited to determining the accused's present capacity to understand and cooperate in the post-trial proceedings. The convening authority may approve the sentence unless it is established, by a preponderance of the evidence—including matters outside the record of trial—that the accused does not have the requisite mental capacity. Nothing in this subsection shall prohibit the convening authority from disapproving the findings of guilty and sentence."

t. R.C.M. 1109 is amended—

(1) in subsection (c)(3) by striking out "probation" and inserting in lieu thereof "suspension";

(2) in subsection (c)(4)(A) by inserting "in writing" after "notified";

(3) in subsection (d)(1)(A) by striking out

"probation" and inserting in lieu thereof "suspension";

(4) in subsection (d)(1)(B) by inserting "in writing" after "notified";

(5) in subsection (d)(1)(B)(iii) by striking out "probation" and inserting in lieu thereof "suspension";

(6) in subsection (d)(1)(D) by inserting "written" before "recommendation concerning vacation";

(7) in subsection (e)(4) by inserting "written" before "recommendation concerning vacation"; and

(8) in subsection (e)(5) by striking out "probation" and inserting in lieu thereof "suspension".

u. R.C.M. 1112 is amended—

(1) in subsection (d) by adding the following new paragraph at the end thereof:

"Copies of the judge advocate's review under this rule shall be attached to the original and all copies of the record of trial. A copy of the review shall be forwarded to the accused."; and

(2) in subsection (e) by striking out the last sentence.

v. R.C.M. 1113(d)(1) is amended to read as follows:

"(1) *Death.*

"(A) *Manner carried out.* A sentence to death which has been finally ordered executed shall be carried out in the manner prescribed by the Secretary concerned.

"(B) *Action when accused lacks mental capacity.* An accused lacking the mental capacity to understand the punishment to be suffered or the reason for imposition of the death sentence may not be put to death during any period when such incapacity exists. The accused is presumed to have such mental capacity. If a substantial question is raised as to whether the accused lacks capacity, the convening authority then exercising general court-martial jurisdiction over the accused shall order a hearing on the question. A military judge, counsel for the government, and counsel for the accused shall be detailed. The convening authority shall direct an examination of the accused in accordance with R.C.M. 706, but the examination may be limited to determining whether the accused understands the punishment to be suffered and the

reason therefor. The military judge shall consider all evidence presented, including evidence provided by the accused. The accused has the burden of proving such lack of capacity by a preponderance of the evidence. The military judge shall make findings of fact, which will then be forwarded to the convening authority ordering the hearing. If the accused is found to lack capacity, the convening authority shall stay the execution until the accused regains appropriate capacity.”

w. R.C.M. 1114 is amended as follows:

(1) Subsection (b)(2) is amended by inserting the following at the end of the introductory paragraph thereof: “The subsequent action and the supplementary order may be the same document if signed personally by the appropriate convening or higher authority.”; and

(2) Subsection (c) is amended to read as follows:

“(c) *Contents.*

“(1) *In general.* The order promulgating the initial action shall set forth: the type of court-martial and the command by which it was convened; the charges and specifications, or a summary thereof, on which the accused was arraigned; the accused’s pleas; the findings or other disposition of each charge and specification; the sentence, if any; and the action of the convening authority, or a summary thereof. Supplementary orders shall recite, verbatim, the action or order of the appropriate authority, or a summary thereof.

“(2) *Dates.* The date of a promulgating order shall be the date of the action of the convening authority being promulgated, if any. An order promulgating an acquittal, a finding of not guilty only by reason of lack of mental responsibility, or a court-martial terminated before findings shall bear the date of its publication. A promulgating order shall state the date the sentence was adjudged, the date on which the acquittal or finding of not guilty only by reason of lack of mental responsibility was announced, or the date on which the proceedings were otherwise terminated.”.

x. R.C.M. 1201(b)(3)(A) is amended by striking out the comma after “a Court of Military Review” and inserting in lieu thereof “or by the Judge Advocate General

under subsection (b)(1) of this rule.”.

y. R.C.M. 1203(c) is amended by adding the following new subsection at the end thereof:

“(5) *Action when accused lacks mental capacity.* An appellate authority may not affirm the proceedings while the accused lacks mental capacity to understand and to conduct or cooperate intelligently in the appellate proceedings. In the absence of substantial evidence to the contrary, the accused is presumed to have the capacity to understand and to conduct or cooperate intelligently in the appellate proceedings. If a substantial question is raised as to the requisite mental capacity of the accused, the appellate authority may direct that the record be forwarded to an appropriate authority for an examination of the accused in accordance with R.C.M. 706, but the examination may be limited to determining the accused’s present capacity to understand and cooperate in the appellate proceedings. The order of the appellate authority will instruct the appropriate authority as to permissible actions that may be taken to dispose of the matter. If the record is thereafter returned to the appellate authority, the appellate authority may affirm part or all of the findings or sentence unless it is established, by a preponderance of the evidence—including matters outside the record of trial—that the accused does not have the requisite mental capacity. If the accused does not have the requisite mental capacity, the appellate authority shall stay the proceedings until the accused regains appropriate capacity, or take other appropriate action. Nothing in this subsection shall prohibit the appellate authority from making a determination in favor of the accused which will result in the setting aside of a conviction.”.

z. R.C.M. 1305(b)(2) is amended by striking out “number of previous convictions considered and the”.

Sec. 2. Part III of the Manual for Courts-Martial, United States, 1984, is amended as follows:

a. Mil. R. Evid. 304(h) is amended by inserting the following new paragraph at the end thereof:

“(4) *Refusal to obey order to submit body substance.* If an accused refuses a lawful

order to submit for chemical analysis a sample of his or her blood, breath, urine or other body substance, evidence of such refusal may be admitted into evidence on:

“(A) A charge of violating an order to submit such a sample; or

“(B) Any other charge on which the results of the chemical analysis would have been admissible.”.

b. Mil. R. Evid. 613(a) is amended by inserting “to him at that time, but on request the same shall be shown or disclosed” after “disclosed”.

c. Mil. R. Evid. 902(1) is amended by striking out “exception” and inserting in lieu thereof “execution”.

Sec. 3. Part IV of the Manual for Courts-Martial, United States, 1984, is amended as follows:

a. Paragraph 4 is amended in subparagraph c(5) by—

(1) adding “(e) Article 106a—espionage” after subparagraph c(5)(d); and

(2) redesignating subparagraph c(5)(e) as subparagraph c(5)(f).

b. Paragraph 10 is amended in subparagraph c(9) by adding “and return” after “the hours of departure”.

c. Paragraph 32 is amended—

(1) in subparagraph c(1) by striking out “military departments” and inserting in lieu thereof “armed forces”; and

(2) by amending subparagraphs d(1) through d(4) to read as follows:

“(1) *Sale or disposition of military property.*

“(a) Article 80—attempts

“(b) Article 134—sale or disposition of non-military government property

“(2) *Willfully damaging military property.*

“(a) Article 108—damaging military property through neglect

“(b) Article 109—willfully damaging non-military property

“(c) Article 80—attempts

“(3) *Willfully suffering military property to be damaged.*

“(a) Article 108—through neglect suffering military property to be damaged

“(b) Article 80—attempts

“(4) *Willfully destroying military property.*

“(a) Article 108—through neglect destroy-

ing military property

“(b) Article 109—willfully destroying non-military property

“(c) Article 108—willfully damaging military property

“(d) Article 109—willfully damaging non-military property

“(e) Article 108—through neglect damaging military property

“(f) Article 80—attempts”.

d. Paragraph 35 is amended—

(1) in subparagraph a by striking out “manner,” and inserting in lieu thereof “manner, or while impaired by a substance described in section 912a(b) of this title (article 112a(b)),”;

(2) in subparagraph b(2) by striking out “; or” and inserting in lieu thereof a comma and by striking out “manner.” and inserting in lieu thereof “manner, or that the accused was impaired by a substance described in article 112a(b) while operating the vehicle.”;

(3) in subparagraph c by amending subparagraph (3) to read as follows:

“(3) *Drunk or impaired.* “Drunk” and “impaired” mean any intoxication which is sufficient sensibly to impair the rational and full exercise of the mental or physical faculties. Whether the drunkenness or impairment was caused by liquor or drugs is immaterial.”; and

(4) in subparagraph f by inserting “[while impaired by ———]” after “[while drunk]”.

e. Paragraph 42 is amended in subparagraph d by—

(1) deleting subparagraph d(1); and

(2) striking out “(2)”.

f. Paragraph 46 is amended—

(1) in subparagraph b(1) by adding the following at the end thereof:

“[Note: If the property is alleged to be military property, as defined in paragraph 32c(1), add the following element]

“(e) That the property was military property.”;

(2) by amending subparagraph d to read as follows:

“d. *Lesser included offenses.*

“(1) *Larceny.*

“(a) Article 121—wrongful appropriation

“(b) Article 80—attempts

“(2) *Larceny of military property.*

“(a) Article 121—wrongful appropriation

“(b) Article 121—larceny of property other than military property

“(c) Article 80—attempts

“(3) *Wrongful appropriation*. Article 80—attempts”;

(3) by amending subparagraph e to read as follows:

“e. *Maximum Punishment*.

“(1) *Larceny*.

“(a) *Military property of a value of \$100 or less*. Bad-conduct discharge, forfeiture of all pay and allowances, and confinement for 1 year.

“(b) *Property other than military property of a value of \$100 or less*. Bad-conduct discharge, forfeiture of all pay and allowances, and confinement for 6 months.

“(c) *Military property of a value of more than \$100 or of any military motor vehicle, aircraft, vessel, firearm, or explosive*. Dishonorable discharge, forfeiture of all pay and allowances, and confinement for 10 years.

“(d) *Property other than military property of a value of more than \$100 or any motor vehicle, aircraft, vessel, firearm, or explosive not included in subparagraph e(1)(c)*. Dishonorable discharge, forfeiture of all pay and allowances, and confinement for five years.”; and

(4) in subparagraph f(1) by adding “(military property)” after “steal

g. Paragraph 89 is amended in subparagraph d to read as follows:

“d. *Lesser included offenses*

“(1) Article 117—provoking speeches

“(2) Article 80—attempts”.

Sec. 4. Part V of the Manual for Courts-Martial, United States, 1984, is amended in paragraph 5 by—

a. Redesignating subparagraph “e” as subparagraph “g”; and

b. Inserting the following new subparagraphs after subparagraph d:

“e. *Punishments imposed on reserve component personnel while on inactive-duty training*. When a punishment under Article 15 amounting to a deprivation of liberty (for example, restriction, correctional custody, extra duties, or arrest in quarters) is imposed on a member of a reserve component during a period of inactive-duty train-

ing, the punishment may be served during one or both of the following:

“(1) a normal period of inactive-duty training; or

“(2) a subsequent period of active duty (not including a period of active duty under Article 2(d)(1), unless such active duty was approved by the Secretary concerned).

“Unserved punishments may be carried over to subsequent periods of inactive-duty training or active duty. A sentence to forfeiture of pay may be collected from active duty and inactive-duty training pay during subsequent periods of duty.

“f. *Punishments imposed on reserve component personnel when ordered to active duty for disciplinary purposes*. When a punishment under Article 15 is imposed on a member of a reserve component during a period of active duty to which the reservist was ordered pursuant to R.C.M. 204 and which constitutes a deprivation of liberty (for example, restriction, correctional custody, extra duties, or arrest in quarters), the punishment may be served during any or all of the following:

“(1) that period of active duty to which the reservist was ordered pursuant to Article 2(d), but only where the order to active duty was approved by the Secretary concerned;

“(2) a subsequent normal period of inactive-duty training; or

“(3) a subsequent period of active duty (not including a period of active duty pursuant to R.C.M. 204 which was not approved by the Secretary concerned).

“Unserved punishments may be carried over to subsequent periods of inactive-duty training or active duty. A sentence to forfeiture of pay may be collected from active duty and inactive-duty training pay during subsequent periods of duty.”.

Sec. 5. These amendments shall take effect on [insert date of last day of the 10-day period beginning on the date of signature by the President], subject to the following:

a. The addition of Rule for Courts-Martial 204, the amendments made to Rules for Courts-Martial 707 and 1003(c), and the amendments made to paragraph 5 of Part V, shall apply to any offense committed on

or after [insert last day of the 10-day period beginning on the date of signature by the President].

b. The amendments made to Rules for Courts-Martial 701(b), 706(c)(2), 916(b), 916(k), 920, 921, and 922 shall apply to any offense committed on or after November 14, 1986.

c. The amendments made to Rules for Courts-Martial 503 and 903 shall apply only in cases in which arraignment has been completed on or after [insert date of last day of the 10-day period beginning on the date of signature by the President].

d. The amendments made to Rules for Courts-Martial 1105 and 1106 shall apply only in cases in which the sentence is adjudged on or after [insert last day of the 10-day period beginning on the date of signature by the President].

e. Except as provided in section 5.b, nothing contained in these amendments shall be construed to make punishable any act done or omitted prior to [insert date of last day of the 10-day period beginning on the date of signature by the President], which was not punishable when done or omitted.

f. The maximum punishment for an of-

fense committed prior to [insert date of last day of the 10-day period beginning on the date of signature by the President] shall not exceed the applicable maximum in effect at the time of the commission of such offense.

g. Nothing in these amendments shall be construed to invalidate any nonjudicial punishment proceeding, restraint, investigation, referral of charges, trial in which arraignment occurred, or other action begun prior to [insert date of last day of the 10-day period beginning on the date of signature by the President], and any such restraint, investigation, referral of charges, trial, or other action may proceed in the same manner and with the same effect as if these amendments had not been prescribed.

Sec. 6. The Secretary of Defense, on behalf of the President, shall transmit a copy of this Order to the Congress of the United States in accord with Section 836 of title 10 of the United States Code.

RONALD REAGAN

The White House,
March 3, 1987.

[Filed with the Office of the Federal Register, 4:28 p.m., March 4, 1987]

Statement Announcing the Nomination of William H. Webster To Be the Director of Central Intelligence

March 3, 1987

I am pleased to announce my intention to nominate William H. Webster to be Director of Central Intelligence. Bill Webster will bring remarkable breadth and depth of experience as well as an outstanding record of achievement to this position. He has been Director of the Federal Bureau of Investigation since 1978, and in fact, just last week he celebrated his ninth anniversary in that post. Under his leadership, the FBI has dramatically increased its counterintelligence and counterterrorism capability. I expect Bill to bring that same kind of leadership and achievement to his new position as Director of Central Intelligence, a position so crucial to the security of our nation.

He served with great distinction as a judge of the U.S. Court of Appeals for the Eighth Circuit and before that as a U.S. district judge for the Eastern District of Missouri. Earlier he had engaged in the private practice of law, capped with a term as U.S. attorney for the Eastern District of Missouri. Bill served his country as a lieutenant in the U.S. Naval Reserve in World War II and in the Korean war.

Bill's distinguished career has exemplified his commitment to serving our nation and to defending and promoting the values of America and the free world. Bill is well known as a man of honor and integrity, as a man who is committed to the rule of law,

and as a professional who is dedicated to the pursuit of excellence. I look forward to continuing to work with Bill as he assumes

his new responsibilities, and I urge the Congress to act promptly to confirm him as Director of Central Intelligence.

Designation of Douglas D. Danforth as Vice Chairman of the President's Export Council

March 4, 1987

The President announced his intention to designate Douglas D. Danforth, of Pennsylvania, Vice Chairman of the President's Export Council.

Mr. Danforth was first appointed to the President's Export Council in September 1985. He currently serves as chairman and

chief executive officer, Westinghouse Electric Corp., in Pittsburgh, PA.

Mr. Danforth graduated from Syracuse University (B.S., 1947). Mr. Danforth is married, has four children, and resides in Venetia, PA. He was born September 25, 1922, in Syracuse, NY.

Appointment of Lois H. Herrington as a Member of the President's Child Safety Partnership

March 4, 1987

The President today announced his intention to appoint Lois H. Herrington, of California, to be a member of the President's Child Safety Partnership. She would succeed James G. Martin.

From 1983 to 1986, Mrs. Herrington was Assistant Attorney General for the United States, Office of Justice Programs, Department of Justice. She also served as Chairman of the President's Task Force on Vic-

tims of Crime, which issued its final report in January 1983. Prior to this, she was a prosecutor, probation officer, and juvenile hall counselor in California.

She graduated from the University of California, Davis (B.A., 1961) and the University of California (J.D., 1965). Mrs. Herrington is married, has two children, and resides in Arlington, VA. She was born December 6, 1937, in Seattle, WA.

Message to the Congress Reporting Budget Deferrals

March 4, 1987

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report one new deferral of budget authority totaling \$134,437,367 and three revised deferrals of budget authority now totaling \$649,146,654.

The deferrals affect programs in the Departments of Agriculture, Defense-Civil, and Health and Human Services.

The details of these deferrals are contained in the attached report.

RONALD REAGAN

The White House,
March 4, 1987.

Note: The attachment detailing the deferrals was printed in the "Federal Register" of March 13.

Informal Exchange With Reporters

March 4, 1987

Q. You have a new man here. Do you think he'll fit the bill?

The President. I am very pleased and proud to say so.

Q. Mr. President, what do you think you have to do to restore your credibility?

The President. Ask me that question after the speech tonight.

Q. Do you still think that Colonel North is a national hero?

The President. His military record was one of numerous rewards for his courage.

Q. How about his involvement in the *contra* situation?

The President. I'm not going to comment on that.

Q. Will you tonight?

The President. Tune in.

Q. What is Mrs. Reagan's role in running the Government, Mr. President?

The President. Not the one that has been bandied about in the press. That is fiction, and I think it is despicable fiction. And a lot of people ought to be ashamed of themselves.

Q. Which part of it do you have the greatest objection to, Mr. President, of the many reports that have been written about that?

The President. Well, the idea that she is—you realize I'm breaking my rule here, but you've touched a nerve here with that—but the idea that she's involved in governmental decisions and so forth and all of this and being a kind of a dragon lady. There is nothing to that and no one who knows—

Q. Well, you know who said it.

The President. —her well would ever believe it.

Q. You know who said dragon lady? Your Chief of Staff.

Mr. Baker. No, no, Helen [Helen Thomas, United Press International].

The President. No, he didn't. [Laughter]

Q. Anyway, is she pretty upset about it all?

The President. Well, obviously, she is. Yes, of course.

Q. What do you think could be done about it?

The President. Well, maybe I just said a few things here that will make some of you think twice before you repeat those things that have been said.

Q. Do you dispute the idea that she had a role in the departure of Mr. Regan?

The President. No. And as I stated in my statement, he had spoken to me months before about his desire to leave. And then when all of this came up, decided that he would see it out and wait until after the Tower commission report came in.

Q. Mr. President, you mean you do dispute the reports that she had a role in that?

The President. Of course, I do. As I say, he had a letter of resignation dated October.

Q. He did? How come we didn't see it?

The President. What?

Q. How come we didn't see it?

The President. Because, as I say, he decided to wait because of the problems that had arisen.

Q. No phone hangups?

The President. No more comments.

Q. So, you're not going to apologize tonight to the American people?

The President. Tune in. I won't break my rule again but—

Q. Why not? It's fun. [Laughter]

Note: The exchange began at 11:53 a.m. in the Oval Office at the White House following a meeting with William H. Webster, the Director-designate of the Central Intelligence Agency. Howard H. Baker, Jr., was Chief of Staff to the President.

Announcement of T. Kenneth Cribb, Jr., as a Member of the Chief of Staff to the President's Transition Team

March 4, 1987

Kenneth Cribb, Counselor to Attorney General Edwin Meese, has joined the Chief of Staff's transition team. Mr. Cribb will join Tom Griscom and James Cannon for the period of the transition, concentrating on domestic programs, policies, and personnel matters.

Since March 1985 Mr. Cribb has been Counselor to the Attorney General. Prior to

this, he was Deputy Assistant to the President, Assistant Counselor to the President, and Assistant Director of the Office of Cabinet Affairs and Staff Assistant.

He received a bachelor of arts degree from Washington and Lee University in 1970 and graduated from the University of Virginia School of Law in 1980. Mr. Cribb is 38 years old.

Letter Accepting the Resignation of Peter J. Wallison as Counsel to the President

March 4, 1987

Dear Peter:

It is with deep regret and gratitude for your assistance and advice that I accept your resignation as Counsel to the President, effective March 20, 1987.

This is the second opportunity I've had to thank you for your work in this Administration. When you joined our White House team in 1986, you brought with you the benefit of your experience as General Counsel for the Department of the Treasury during my first term. Twice we successfully lured you away from the private sector to public service, and on both occasions you responded with the blend of personal integrity and professional skill that has been the hallmark of your entire career. Your over 20 years as a lawyer have been split nearly equally between private practice and the government, a sign of your lifelong devotion to the common good.

Working with you closely this past year I have only come to appreciate more fully your talents, character, and judgment. As Counsel to the President, you had but a single client, but in a truer sense you served the institution of the Presidency and through it the people of this great Nation. You took on with enthusiasm and sensitivity one of the most demanding jobs in Washington. These are my own words of thanks

for your many contributions, but I know that they convey as well the gratitude of the American people for all you've accomplished.

The profound respect and good wishes of your many friends and colleagues go with you as you leave the White House. May you, Frieda, and your family find the future filled with every blessing and happiness.

Sincerely,

RONALD REAGAN

Dear Mr. President:

On March 20, 1987, I will resign as Counsel to the President, having served almost a year in your White House. To say it has been an honor to serve as your Counsel would not do justice to my feelings at this moment.

In your openness, warmth, and good sense you embody everything that is admired about our country. In your modesty and strong sense of trusteeship you have lent dignity to the Presidency. In your many personal kindnesses to me, you have demonstrated your sensitivity to the small as well as the large dimensions of your Office.

I came here to help you complete a journey that history will record as one of the most successful Presidencies of the century. There have been rough spots along the way; there always are. But your qualities as a person and as a leader will never never

fail you. I will always look back on this time as one of the proudest of my life, and I will always be available to you in the future.

Respectfully,

PETER J. WALLISON

Appointment of Arthur B. Culvahouse, Jr., as Counsel to the President

March 4, 1987

The President today announced his intention to appoint Arthur B. Culvahouse, Jr., to be Counsel to the President. He will succeed Peter J. Wallison.

Currently Mr. Culvahouse is a partner with the law firm of Vinson & Elkins. From 1982 to 1984, Mr. Culvahouse served as a partner with the law firm of O'Melveny & Meyers. He was the general counsel, Baker for President, 1979–1980, and chief legislative assistant and counsel to Senator Howard H. Baker, Jr., 1973–1976. Mr. Culvahouse is a member of the California, Dis-

trict of Columbia, and Tennessee State bars; member of the American Bar Association, section of corporation, banking, and business law and section of international law and practice.

Mr. Culvahouse received his bachelor of science degree from the University of Tennessee in 1970 and his J.D. from the New York University School of Law in 1973. He is married, has three children, and resides in Alexandria, VA. Mr. Culvahouse was born July 4, 1948, in Athens, TN.

Address to the Nation on the Iran Arms and *Contra* Aid Controversy

March 4, 1987

My fellow Americans:

I've spoken to you from this historic office on many occasions and about many things. The power of the Presidency is often thought to reside within this Oval Office. Yet it doesn't rest here; it rests in you, the American people, and in your trust. Your trust is what gives a President his powers of leadership and his personal strength, and it's what I want to talk to you about this evening.

For the past 3 months, I've been silent on the revelations about Iran. And you must have been thinking: "Well, why doesn't he tell us what's happening? Why doesn't he just speak to us as he has in the past when we've faced troubles or tragedies?" Others of you, I guess, were thinking: "What's he

doing hiding out in the White House?" Well, the reason I haven't spoken to you before now is this: You deserve the truth. And as frustrating as the waiting has been, I felt it was improper to come to you with sketchy reports, or possibly even erroneous statements, which would then have to be corrected, creating even more doubt and confusion. There's been enough of that. I've paid a price for my silence in terms of your trust and confidence. But I've had to wait, as you have, for the complete story. That's why I appointed Ambassador David Abshire as my Special Counsellor to help get out the thousands of documents to the various investigations. And I appointed a Special Review Board, the Tower board, which took on the chore of pulling the truth to-

gether for me and getting to the bottom of things. It has now issued its findings.

I'm often accused of being an optimist, and it's true I had to hunt pretty hard to find any good news in the Board's report. As you know, it's well-stocked with criticisms, which I'll discuss in a moment; but I was very relieved to read this sentence: ". . . the Board is convinced that the President does indeed want the full story to be told." And that will continue to be my pledge to you as the other investigations go forward. I want to thank the members of the panel: former Senator John Tower, former Secretary of State Edmund Muskie, and former national security adviser Brent Scowcroft. They have done the Nation, as well as me personally, a great service by submitting a report of such integrity and depth. They have my genuine and enduring gratitude.

I've studied the Board's report. Its findings are honest, convincing, and highly critical; and I accept them. And tonight I want to share with you my thoughts on these findings and report to you on the actions I'm taking to implement the Board's recommendations. First, let me say I take full responsibility for my own actions and for those of my administration. As angry as I may be about activities undertaken without my knowledge, I am still accountable for those activities. As disappointed as I may be in some who served me, I'm still the one who must answer to the American people for this behavior. And as personally distasteful as I find secret bank accounts and diverted funds—well, as the Navy would say, this happened on my watch.

Let's start with the part that is the most controversial. A few months ago I told the American people I did not trade arms for hostages. My heart and my best intentions still tell me that's true, but the facts and the evidence tell me it is not. As the Tower board reported, what began as a strategic opening to Iran deteriorated, in its implementation, into trading arms for hostages. This runs counter to my own beliefs, to administration policy, and to the original strategy we had in mind. There are reasons why it happened, but no excuses. It was a mistake. I undertook the original Iran initiative in order to develop relations with those

who might assume leadership in a post-Khomeini government.

It's clear from the Board's report, however, that I let my personal concern for the hostages spill over into the geopolitical strategy of reaching out to Iran. I asked so many questions about the hostages welfare that I didn't ask enough about the specifics of the total Iran plan. Let me say to the hostage families: We have not given up. We never will. And I promise you we'll use every legitimate means to free your loved ones from captivity. But I must also caution that those Americans who freely remain in such dangerous areas must know that they're responsible for their own safety.

Now, another major aspect of the Board's findings regards the transfer of funds to the Nicaraguan *contras*. The Tower board wasn't able to find out what happened to this money, so the facts here will be left to the continuing investigations of the court-appointed Independent Counsel and the two congressional investigating committees. I'm confident the truth will come out about this matter, as well. As I told the Tower board, I didn't know about any diversion of funds to the *contras*. But as President, I cannot escape responsibility.

Much has been said about my management style, a style that's worked successfully for me during 8 years as Governor of California and for most of my Presidency. The way I work is to identify the problem, find the right individuals to do the job, and then let them go to it. I've found this invariably brings out the best in people. They seem to rise to their full capability, and in the long run you get more done. When it came to managing the NSC staff, let's face it, my style didn't match its previous track record. I've already begun correcting this. As a start, yesterday I met with the entire professional staff of the National Security Council. I defined for them the values I want to guide the national security policies of this country. I told them that I wanted a policy that was as justifiable and understandable in public as it was in secret. I wanted a policy that reflected the will of the Congress as well as of the White House. And I told them that there'll be no more freelancing by individuals when it comes to

our national security.

You've heard a lot about the staff of the National Security Council in recent months. Well, I can tell you, they are good and dedicated government employees, who put in long hours for the Nation's benefit. They are eager and anxious to serve their country. One thing still upsetting me, however, is that no one kept proper records of meetings or decisions. This led to my failure to recollect whether I approved an arms shipment before or after the fact. I did approve it; I just can't say specifically when. Well, rest assured, there's plenty of recordkeeping now going on at 1600 Pennsylvania Avenue.

For nearly a week now, I've been studying the Board's report. I want the American people to know that this wrenching ordeal of recent months has not been in vain. I endorse every one of the Tower board's recommendations. In fact, I'm going beyond its recommendations so as to put the house in even better order. I'm taking action in three basic areas: personnel, national security policy, and the process for making sure that the system works.

First, personnel—I've brought in an accomplished and highly respected new team here at the White House. They bring new blood, new energy, and new credibility and experience. Former Senator Howard Baker, my new Chief of Staff, possesses a breadth of legislative and foreign affairs skills that's impossible to match. I'm hopeful that his experience as minority and majority leader of the Senate can help us forge a new partnership with the Congress, especially on foreign and national security policies. I'm genuinely honored that he's given up his own Presidential aspirations to serve the country as my Chief of Staff. Frank Carlucci, my new national security adviser, is respected for his experience in government and trusted for his judgment and counsel. Under him, the NSC staff is being rebuilt with proper management discipline. Already, almost half the NSC professional staff is comprised of new people.

Yesterday I nominated William Webster, a man of sterling reputation, to be Director of the Central Intelligence Agency. Mr. Webster has served as Director of the FBI and as a U.S. District Court judge. He un-

derstands the meaning of "rule of law." So that his knowledge of national security matters can be available to me on a continuing basis, I will also appoint John Tower to serve as a member of my Foreign Intelligence Advisory Board. I am considering other changes in personnel, and I'll move more furniture, as I see fit, in the weeks and months ahead.

Second, in the area of national security policy, I have ordered the NSC to begin a comprehensive review of all covert operations. I have also directed that any covert activity be in support of clear policy objectives and in compliance with American values. I expect a covert policy that, if Americans saw it on the front page of their newspaper, they'd say, "That makes sense." I have had issued a directive prohibiting the NSC staff itself from undertaking covert operations—no ifs, ands, or buts. I have asked Vice President Bush to reconvene his task force on terrorism to review our terrorist policy in light of the events that have occurred.

Third, in terms of the process of reaching national security decisions, I am adopting in total the Tower report's model of how the NSC process and staff should work. I am directing Mr. Carlucci to take the necessary steps to make that happen. He will report back to me on further reforms that might be needed. I've created the post of NSC legal adviser to assure a greater sensitivity to matters of law. I am also determined to make the congressional oversight process work. Proper procedures for consultation with the Congress will be followed, not only in letter but in spirit. Before the end of March, I will report to the Congress on all the steps I've taken in line with the Tower board's conclusions.

Now, what should happen when you make a mistake is this: You take your knocks, you learn your lessons, and then you move on. That's the healthiest way to deal with a problem. This in no way diminishes the importance of the other continuing investigations, but the business of our country and our people must proceed. I've gotten this message from Republicans and Democrats in Congress, from allies around the world, and—if we're reading the signals

right—even from the Soviets. And of course, I've heard the message from you, the American people. You know, by the time you reach my age, you've made plenty of mistakes. And if you've lived your life properly—so, you learn. You put things in perspective. You pull your energies together. You change. You go forward.

My fellow Americans, I have a great deal

that I want to accomplish with you and for you over the next 2 years. And the Lord willing, that's exactly what I intend to do.

Good night, and God bless you.

Note: The President spoke at 9 p.m. from the Oval Office at the White House. His address was broadcast live on nationwide radio and television.

Letter Accepting the Resignation of Patrick J. Buchanan as Assistant to the President and Director of Communications

March 3, 1987

Dear Pat:

It is with great regret that I accept your resignation as Assistant to the President and Director of Communications, effective March 1, 1987.

First of all, let me say that using the word "resignation" in connection with Pat Buchanan strikes me as something of a contradiction in terms. When you joined our White House team two years ago, you brought with you communications skills refined over many years of experience as a writer and author, political adviser, columnist, and television commentator. You also brought with you a well-established reputation for consistency, toughness, versatility and integrity. From your very first days as an editorial writer at the St. Louis Globe-Democrat, you have shown an instinctive grasp of America's heartland values and guiding principles. Those values and principles have been your fixed stars, and I take great comfort in knowing that your leaving the White House only means that you'll be navigating the same course in a different ship.

Emerson said, "Nothing astonishes men so much as common sense and plain dealing." I have you to thank for investing your great abundance of both these qualities in the effort to communicate our policies and goals to the public. A proud record speaks for itself, but, as you know, it helps to have a microphone every now and then. Through plain talk and forceful prose, you have gotten the truth about our record out

to the American people, fulfilling our responsibility to the Nation to set forth how we've responded to the mandates we were given in 1980 and 1984.

I am the third President you have served with distinction. It's fair to say that you have accomplished so much not because of your loyalty to any individual, but because of your fidelity to the core of ideals that define what it is to be an American. And because you put your trust in the virtues of faith and family, the centers that can and do hold against the disintegrating forces at work in the modern world.

Our second American Revolution is not over, but I have no doubt that we could not have come this far without voices like yours crying against the vanity and veneer that so often pass for insight. You will be sorely missed by your friends and colleagues here at the White House, but I have a hunch that there are quite a few people around the country anxiously awaiting publication of the next chapter in the Pat Buchanan story.

From the bottom of my heart, thank you for all you have done for me and my Administration. Nancy joins me in sending you and Shelley our best wishes for every future success and happiness. And, as regards that last bit of sound advice, as a Roman playwright put it, "Fortes fortuna adjuvat."

Sincerely,

RONALD REAGAN

Dear Mr. President:

This letter is to submit my resignation as Assistant to the President and Director of Communications for the White House, effective 1 March.

During the past two years, it has been an honor, a privilege and a pleasure to have served you in the White House. I shall recall with particular pride your indispensable leadership in winning Congressional support for the Nicaraguan resistance; your courageous refusal to be stampeded by the self-righteous into endorsing vindictive and destructive sanctions upon the nation and people of South Africa who have done us no harm; your relentless effort to restore constitutionality to the Third Branch of Government, especially with the nominations of Justice Scalia and Chief Justice Rehnquist; finally, your refusal at Geneva and, again, at Reykjavik, to compromise America's national defense in the coming decade, SDI.

You have, in these six years, done many things for this country. The economics of opportunity has replaced the politics of envy as the guiding principle of the federal tax code. The armed forces of the United States have been modernized. America's military morale and national morale have been restored. The U.S. economy, the mightiest anti-poverty engine in human history, has been unleashed and more Americans are in productive labor than at any time in our national history. But, of all your achievements the one with which I am proudest to have been associated has been the restoration of the Presidency to "pre-eminently a place of moral leadership."

No political leader in the West has been

more eloquent or outspoken in compassionate defense of the rights of the "least of these," the innocent unborn. Nor have any spoken out with greater consistency and clarity against the over-arching evil of the 20th Century: Marxism-Leninism. If, in the 21st century, that great prison house of nations, the Soviet Empire, is finally cracked open, and the captive peoples within are set free, historians will trace the origins of their deliverance to your decisions to send the Rangers and Marines to rescue Grenada for the Free World and to provide the patriots of Afghanistan, Angola and Nicaragua with the arms to recapture their countries from the quislings who betrayed them to the Soviet Empire.

In recent days, from the vantage point of that "windowless office" down the hall, I have reflected often upon the history of our movement. Today, things that were commonly alleged against us and our cause a quarter century ago, or even a decade ago, can no longer be credibly said—because you were one of us.

I regret that I depart at a time when you are beset by the little men and tiny minds that yet predominate in this capital city. But what you have done for your country and the cause of human dignity and freedom will be remembered and recalled long after such as these have achieved their last full measure of obscurity. God bless you, Mr. President. Non illegitimis carborundum.

Sincerely,

PATRICK J. BUCHANAN

Note: The letters were released by the Office of the Press Secretary on March 5.

Remarks at a White House Briefing for Members of the National Newspaper Association

March 5, 1987

Every year we meet about this time, when you have your national convention. But this year I've got to hand it to you: You've shown a sixth sense for the timing of a story. [Laughter] As you know, last night I

addressed the American people and talked about the initiative to Iran. One thing that has made our Republic great is that we don't hide from our mistakes. We learn from them; then we go on and do things

better than we did before. That's what I intend to do, and that's why I say you've shown a sixth sense. Not because you've come here after last night, but because you've come here before tomorrow. [Laughter]

We've spent enough time the last few months on inside-Washington politics—who's up and who's down, who's in and out. The investigations will continue, and they should. And the committees will continue to meet, and they should. I've said the administration will give them every cooperation, and it will. But so far as I'm concerned, the American people sent me here to do a job, and there are just 2 years left to get it done.

And part of that job is to strengthen the foundations of world peace. I've never felt more optimistic about the prospects for success in this area than I do today. And that's because this past week we've had a major breakthrough on the path toward an agreement for mutual and verifiable reductions in arms between ourselves and the Soviet Union. As I announced earlier this week, the Soviets have at last agreed to negotiate a global reduction in the number of U.S. and Soviet longer range intermediate nuclear force, or as we call them, INF missiles. The arms reductions agreement that, as a result of the Soviet statement, is now within reach derives from my "zero option" proposal of 1981. And that proposal calls for eliminating all INF missiles. This negotiation will be conducted without strings attached. The Soviets have dropped their demand that we abandon our Strategic Defense Initiative as a precondition to an agreement on INF, and I welcome these developments. This change in the Soviet position is a great breakthrough and shows that, in working for the cause of peace, preparedness pays, patience pays, and firmness pays. Now, that should be three truisms: that preparedness, patience, and firmness—each pays. But again and again over the last few years, I've had to defend those truisms to protect the policy that has brought us to this moment of hope.

First, we were told that if we rebuilt America's defenses, that if we hoped to make our alliances more prepared, we would make an arms reduction agreement

less likely. The Soviets said that they would walk out of arms talks in Geneva if we deployed our INF missiles. But we and our allies knew that while the West had stood by the Soviets had been deploying their own INF missiles at a rate of about one a week for several years, bringing a new and unprovoked threat against our friends and allies in Europe and in Asia. We knew that this would make peace not more secure, but less secure. And we knew that if we were ever to bargain for an agreement for reducing the Soviet INF missiles we would have to have something worthwhile to give up in return. So, we and our allies decided on a reasoned INF deployment as a balance against the new threat posed by this Soviet buildup. Then after the Soviets refused to respond constructively at the negotiating table, we began our deployments.

We were prepared, and then the patience came in. Yes, the Soviets did walk out of the arms reduction talks. It was part of a sophisticated play to public opinion both here and in Europe. But despite some dissent on both sides of the Atlantic, the American people and the people of Europe stayed with us. Together the Western alliance waited the Soviets out. And then, when it was clear that not just the leaders but the people of the alliance could and would wait and that neither the people nor their leaders would buckle under, the Soviets returned to the bargaining table—patience. You know the story after that: 2 years of meetings, hopes, successes, as well as disappointments. After saying they would not, the Soviets tied INF to agreements in other areas, including their effort to kill our SDI program. But again we and our allies remained firm. We stood firm, because SDI has a vital role to play in the journey to a more secure world for all. SDI supports our goal of deep, equitable, and verifiable arms reductions. It reduces the risks of war and the threat of ballistic missiles. I for one have no intention of bargaining away mankind's dream of a safer world.

And we remained firm in another way, as well. We said that our objective should be to ban all longer range INF missiles from the face of the Earth. When I announced it as our goal 6 years ago, the "zero option"

was greeted with a great deal of skepticism. Some said that I couldn't be serious, that I must be proposing the "zero option" because I knew the Soviets would never agree to it or because I was so innocent that I didn't know any better. Well, after several decades in Hollywood, that was kind of a new thrill for me to be called innocent. [Laughter] I was and am determined that this decade's legacy to world peace will be better than just another step in regulating the arms race. The American people and the people of the world don't want arsenals that are growing only a fraction as fast as before. They want shrinking arsenals. And now we may be on the threshold in one critical category of weapons of getting just that—because we stayed firm.

Yes, preparedness, patience, and firmness are paying off. It's come time to plan the next step. And that's why you've come at the right time. Tomorrow I'm going to meet with Ambassadors Max Kampelman, Ron Lehman, and Mike Glitman, whom I recalled from Geneva. I will discuss with them America's response to the Soviet statement. I've already instructed our team to begin putting our draft treaty on the negotiating table. This is a great moment of hope for all mankind—hope, yes, for this agreement, hope for other agreements as well: agreements that increase our security and strengthen the foundation of peace. The flame of that hope burns today because we didn't give in at the first signs of a Soviet public relations campaign. This is the lesson of the last several years: We and our allies did not and will not let ourselves be pressured into an agreement. I will not let the hope for real peace slip by. Sometimes we get so caught up in day-to-day events that we forget the great promise that is our nation and our future. We live in an age of hope, a time when the dreams of mankind for the end of great wars and the extension of freedom to every nation and peoples may at last be realized, a time when we're looking to a new epoch of opportunity.

Now, this is not to say that all issues are resolved. In the INF talks, several important issues remain. We need to agree on equitable constraints on shorter range INF missiles. This is because the Soviets must not be able to circumvent an agreement on

the longer range missiles through a buildup in short-range ones. And furthermore, to be sure that the Soviets keep their word, we must continue to insist that all agreements will be effectively verifiable. I'm not particularly a linguist, but in the Reykjavik meeting, I had a Russian proverb that I could say in Russian to Mr. Gorbachev. And I said it: *Dovorey no provorey*—Trust, but verify. [Laughter] He smiled and changed the subject. [Laughter]

But finally, there remain large imbalances in short-range nuclear weapons, chemical weapons, and conventional forces in Europe. We and our allies are addressing all of these issues. And as we address them, we today can begin to dream, as only a few years ago humanity scarcely dared to dream, of the final end to nuclear terror. We can dream of a world of lasting peace. We can dream of hope and opportunity and of freedom for all mankind.

No one should think that our aspirations for a safer world will materialize in a moment or for just a wish. We've come this far by being strong, patient, and firm. And we'll need those qualities on the rest of our journey for real peace. But we know now that it's a journey for which there is an end. We're not at the beginning of that end. But, as Churchill said in another moment, we may be at the end of the beginning. We've come this far. We've traveled a long and weary road. But there is a great strength within us as a people. There's a great strength of purpose in relations between America and her allies. So, let's go forward to our common dream and go forward together.

I cannot believe in continuing to base the safety of the world and of mankind on a policy called MAD, for mutual assured destruction—the idea that we, if we had enough missiles to blow them out of the Earth and they had enough to blow us out of the Earth, we could sit here comfortably with the knowledge that sometime somebody could push a button and world destruction would start. That's not my idea of a guarantee of peace, looking back on the history of the world in the past. And I think the answer that we have come up with is leading toward the elimination of those hor-

rible weapons, and then, at the same time, maintaining a defense against them. Because now that we know we can make them someplace, sometime, there could come along a madman that would, again, start to make them. When we promised to give up gas as a weapon after World War I, everybody kept their gas masks. And that's all we're suggesting. And we believe that there's some possibility of getting that kind of an agreement.

Well, I've taken too much of your time, and you know, as I promised at the beginning—I didn't tell you, but as Henry VIII said to each of his six wives, "I won't keep you long." [Laughter] So, thank you all very much, and God bless you all.

Note: The President spoke at 11:30 a.m. in Room 450 of the Old Executive Office Building.

Nomination of James Keough Bishop To Be United States Ambassador to Liberia

March 5, 1987

The President today announced his intention to nominate James Keough Bishop, of New York, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador of the United States to the Republic of Liberia. He would succeed Edward Joseph Perkins.

Mr. Bishop joined the Foreign Service in 1960 and was first assigned as a press officer in the State Department, 1961–1963. He then went to Auckland, New Zealand, as vice consul, 1963–1966. Following this he was consul and economic officer in Beirut until 1968, when he was assigned as economic officer in Yaoundé, Cameroon. In 1970 Mr. Bishop returned to the State Department to serve first as desk officer for Chad, Gabon, Mauritius, and Madagascar, 1970–1972; then Ghana and Togo, 1972–

1974. From 1974 to 1976, he served as Deputy Director for West Africa. He attended the Senior Seminar at the Foreign Service Institute from 1976 to 1977 and thereafter was assigned as Director of North African Affairs in the Bureau of Near Eastern and South Asian Affairs, 1977–1979. In 1979 Mr. Bishop was appointed Ambassador to the Republic of Niger and served there until 1981, when he was named Deputy Assistant Secretary of State for African Affairs, where he has served since.

He graduated from the College of Holy Cross (B.A., 1960) and Johns Hopkins School of Advanced International Studies (M.I.I.P., 1981). Mr. Bishop is married, has six children, and resides in Washington, DC. He was born July 21, 1938, in New Rochelle, NY.

Nomination of John Cameron Monjo To Be United States Ambassador to Malaysia

March 5, 1987

The President today announced his intention to nominate John Cameron Monjo, of Maryland, Class of Minister-Counselor, as Ambassador to Malaysia. He succeeds Thomas P. Shoesmith.

Mr. Monjo was a management trainee with W.R. Grace & Co. from 1956 to 1957.

He joined the Foreign Service and Department of State in 1957 and trained at the Foreign Service Institute for a year. He was assigned as political officer in Phnom Penh, Cambodia, 1958–1961. He then went to Tokyo, Japan, as a commercial officer until 1962, when he took Japanese language

training at the Foreign Service Institute Field School, 1962–1964. Following this he was an economic officer in Tokyo until 1965. Mr. Monjo was assigned on detail as a political officer to the Department of the Army in Naha, Okinawa, from 1965 to 1967. He returned to the State Department as international relations officer in the Office of Japanese Affairs, 1967–1969. From 1969 to the beginning of 1971, he was Special Assistant to the Under Secretary of State for Political Affairs. From there, he took language training at the Foreign Service Institute before his assignment as political officer in Jakarta, Indonesia. From 1976 to 1978, he served as principal officer in Casablanca, Morocco. Mr. Monjo then

became country director in the Office of Philippine Affairs in the State Department from 1978 to 1979. In 1979 he served as deputy chief of mission in Seoul, Korea, until 1982, when he was assigned as deputy chief of mission in Jakarta, Indonesia. From 1983 to 1985, he served as Deputy Assistant Secretary in the Bureau of East Asian and Pacific Affairs, and since 1985 has been Senior Deputy Assistant Secretary in that Bureau.

He graduated from the University of Pennsylvania (B.S. 1953). His foreign languages are Malay, French, and Japanese. Mr. Monjo is married, has two children, and resides in Bethesda, MD. He was born July 17, 1931, in Stamford, CT.

Nomination of Fay S. Howell To Be a Member of the National Museum Services Board

March 5, 1987

The President today announced his intention to nominate Fay S. Howell, of Georgia, to be a member of the National Museum Services Board for a term expiring December 6, 1991. This is a reappointment.

Mrs. Howell was first appointed to the National Museum Services Board in Octo-

ber 1984. She has been an active member of numerous museum organizations. Mrs. Howell graduated from Duke University (B.A., 1951). She is married, has five children, and resides in Atlanta, GA. Mrs. Howell was born February 26, 1929, in Atlanta, GA.

Message to the Congress Transmitting the Annual Report of the National Endowment for Democracy

March 5, 1987

To the Congress of the United States:

Pursuant to the provisions of Section 504(h) of Public Law 98–164, as amended (22 U.S.C. 4413(i)), I herewith transmit the third Annual Report of the National Endowment for Democracy, which covers Fiscal Year 1986.

It is with pleasure and pride that I commend this report to your attention. Nineteen hundred and eighty-six was an encour-

aging year for democracy. The Endowment played an important role in this democratic resurgence, supporting significant efforts in the Philippines, Haiti, and many other key countries. Although the Endowment has been in operation for only 3 years, the enthusiasm and support with which the world's democrats have greeted this initiative have already been overwhelming. The program that the Endowment has under-

taken, as you will see in this report, is further proof that democracy is an idea whose time has come.

RONALD REAGAN
The White House,
March 5, 1987.

Presidential Determination No. 87-10—Assistance for the Nicaraguan Democratic Resistance March 5, 1987

Memorandum for the Secretary of State

Subject: Further Assistance to Nicaraguan Democratic Resistance

In accordance with Title II, Section 211(e) of the act making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1987, as contained in Public Law 99-500, approved on October 18, 1986 ("the act"), I hereby determine that the conditions set forth in that Section with respect to provision of assistance to the Nicaraguan democratic resistance have been met, specifically:

(a) that the Central American countries have not concluded a comprehensive and effective agreement based on the Contadora Document of Objectives;

(b) that the Government of Nicaragua is not engaged in a serious dialogue with representatives of all elements of the Nicara-

guan democratic opposition, accompanied by a cease-fire and an effective end to the existing constraints on freedom of speech, assembly, religion, and political activity, leading to regularly scheduled free and fair elections and the establishment of democratic institutions; and

(c) that there is no reasonable prospect of achieving such agreement, dialogue, cease-fire, and end to constraints described above through further diplomatic measures, multilateral or bilateral, without additional assistance to the Nicaraguan democratic resistance.

You are hereby directed to report this determination to the Congress. This memorandum shall be published in the *Federal Register*.

RONALD REAGAN

Note: The memorandum was printed in the "Federal Register" of March 23.

Proclamation 5616—Federal Employees Recognition Week, 1987 March 6, 1987

*By the President of the United States
of America*

A Proclamation

This year, as we commemorate the Bicentennial of our Constitution, it is especially fitting that we honor our Nation's more than three million Federal employees. Their dedication to public service and their devotion to their country, sometimes under trying circumstances, have helped ensure the success of the greatest experiment in liberty the world has ever known—the

United States of America.

Our Federal employees are skilled public servants who work diligently every day to build a better America. Many of them are our friends, neighbors, and community leaders. In their spare time, they can be found doing volunteer work in our churches, schools, clubs, and other organizations. We can be grateful for the deep commitment of the men and women of our Federal work force.

That commitment is reflected on the job in Federal employees' myriad of activities

in serving the American people. Federal workers protect the public in hundreds of ways, from weather monitoring to transportation safety. They conduct research in virtually every facet of human endeavor, from fighting cancer to improving agricultural techniques to exploring space. They assist the men and women of our Armed Forces in carrying out the mission of national defense. Federal employees make sure that programs vital to every American function effectively, from Social Security to natural resource management to assistance for the veterans whose service and sacrifices have kept us a free Nation.

The dedication of Federal employees is typified by the many handicapped Federal workers who have courageously risen above personal hardships to give of themselves to their country. That dedication is also personified by the men and women of the Senior Executive Service who through effort, leadership, and imagination distinguish themselves in service to the American people.

But let us be sure to honor all the men and women of our Federal work force, who serve today with the same skill, profession-

alism, and quiet devotion to our Nation they have always exhibited.

The Congress, by House Joint Resolution 53, has designated the week beginning March 1, 1987, as "Federal Employees Recognition Week" and authorized and requested the President to issue a proclamation in observance of this event.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning March 1, 1987, as Federal Employees Recognition Week. I invite the people of the United States to observe this week with appropriate ceremonies and activities to recognize the devotion, contributions, and faithful service of our Nation's Federal employees.

In Witness Whereof, I have hereunto set my hand this sixth day of March, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 4:25 p.m., March 6, 1987]

Statement on Intermediate-Range Nuclear Force Reductions March 6, 1987

I have just met with Ambassadors Kampelman, Glitman, and Lehman to hear their report on the nuclear and space talks in Geneva. The level, intensity, and seriousness of the effort in Geneva have brought us closer to significant reductions in nuclear arms. As you know, the Soviet Union has recently offered to move ahead with an agreement to cut longer range INF missiles. This is something the United States and our allies have long urged. This week, at my direction, the American delegation in Geneva proposed a draft treaty incorporating the understandings which General Secretary Gorbachev and I reached on this subject at Reykjavik. Because of the opportunities for progress that are opening up, I have asked Ambassador Glitman to return to

Geneva immediately. He and his team will continue working hard to remove the remaining obstacles to an INF agreement. I hope this will in turn spur progress in other aspects of the Geneva negotiations, particularly agreement on deep reductions in strategic nuclear arms.

I am determined to maintain the momentum we have generated. For that reason, Secretary of State Shultz will go to Moscow to meet with Foreign Minister Shevardnadze. The Soviet Government has agreed that this visit will take place from April 13-16. These talks will provide a good opportunity to review the entirety of our relationship—including regional conflicts, human rights, and bilateral issues—and to consolidate the progress we have made. Most im-

portant, I hope these discussions will result in recommendations to General Secretary Gorbachev and me on further steps we

might take to move forward in all aspects of our relations, including the Geneva negotiations.

Proclamation 5617—Amending the Generalized System of Preferences

March 6, 1987

*By the President of the United States
of America*

A Proclamation

1. Pursuant to section 502(c)(7) and section 504 of the Trade Act of 1974, as amended (the Trade Act) (19 U.S.C. 2462(c)(7) and 2464), and section 604 of the Trade Act (19 U.S.C. 2483), I have determined that it is appropriate to provide for the termination of preferential treatment under the Generalized System of Preferences (GSP) for articles which are currently eligible for such treatment and which are imported from Nicaragua and Romania. Such termination is the result of my determination that such countries have not taken and are not taking steps to afford internationally recognized worker rights, as defined in section 502(a)(4) of the Trade Act, as amended (19 U.S.C. 2462(a)(4)). I have also determined that it is appropriate to provide for the suspension of preferential treatment under the GSP for articles which are currently eligible for such treatment and which are imported from Paraguay. Such suspension is the result of my determination that Paraguay has not taken and is not taking steps to afford such worker rights.

2. Section 502(c)(7) of the Trade Act provides that a country which has not taken or is not taking steps to afford such internationally recognized worker rights is ineligible for designation as a beneficiary developing country for purposes of the GSP. Section 504 authorizes the President to withdraw, suspend, or limit the application of duty-free treatment under the GSP with respect to any article or with respect to any country upon consideration of the factors set forth in sections 501 and 502(c) of the

Trade Act (19 U.S.C. 2461 and 2462(c)).

3. Section 502 of the Trade Act, as amended, authorizes the President to designate the countries that will be beneficiary developing countries for purposes of the GSP. Such countries are entitled to duty-free entry of eligible articles imported directly therefrom into the customs territory of the United States. Among the countries previously designated as GSP beneficiaries is the Trust Territory of the Pacific Islands, which was included in the list of non-independent countries and territories eligible for benefits of the GSP.

4. In light of the Compact of Free Association between the United States and the Federated States of Micronesia and the Republic of Marshall Islands, and having due regard for the eligibility criteria set forth in section 502 of the Trade Act, I hereby designate the Federated States of Micronesia and the Republic of Marshall Islands as beneficiary developing countries for purposes of the GSP. Previously, these countries were included in the Trust Territory of the Pacific Islands.

5. Section 604 of the Trade Act authorizes the President to embody in the Tariff Schedules of the United States (TSUS) (19 U.S.C. 1202) the substance of the relevant provisions of that Act, of other acts affecting import treatment, and of actions taken thereunder.

Now, Therefore, I, Ronald Reagan, President of the United States of America, acting under the authority vested in me by the Constitution and the statutes of the United States of America, including but not limited to sections 502, 504, and 604 of the Trade Act, do proclaim that:

(1) General headnote 3(e)(v)(A) to the TSUS, listing those countries whose prod-

ucts are eligible for benefits of the GSP, is modified—

(a) by striking out “Nicaragua”, “Paraguay”, and “Romania” from the enumeration of independent countries, and

(b) by inserting in alphabetical order in the enumeration of independent countries “Federated States of Micronesia” and “Republic of Marshall Islands”.

(2) No article the product of Nicaragua, Paraguay, or Romania and imported into the United States after March 4, 1987, shall be eligible for preferential treatment under the GSP.

(3)(a) The modifications to the TSUS made by paragraph (1)(a) of this proclamation shall be effective with respect to articles both: (1) imported on or after January 1, 1976, and (2) entered, or withdrawn from warehouse for consumption, on or after March 4, 1987.

(b) The designation of the Federated States of Micronesia as a beneficiary devel-

oping country under the GSP shall be effective with respect to articles both: (1) imported on or after January 1, 1976, and (2) entered, or withdrawn from warehouse for consumption, on or after November 3, 1986.

(c) The designation of the Republic of Marshall Islands as a beneficiary developing country under the GSP shall be effective with respect to articles both: (1) imported on or after January 1, 1976, and (2) entered, or withdrawn from warehouse for consumption, on or after October 21, 1986.

In Witness Whereof, I have hereunto set my hand this 6th day of March, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:18 a.m., March 9, 1987]

Remarks to Members of the Young Republican National Federation March 6, 1987

The President. I just told some of your compatriots on the inside I don't go to the office this way, but—[laughter]—but we're on our way to Camp David and have a little time in the woods. But I just wanted this chance to be able to say not only a very warm hello but a great thank you for the sentiments you're expressing right there, for your support. As you know, I'm—

Audience members. Four more years!

The President. But you know, I'm a late-comer. I'm a convert. And when I first became a Republican some years ago, I was always distressed because I never seemed to see many young people around. And now young people, ages 18 to 24, are the strongest group of all the groupings of people on our side in the country. Believe me, all of us here inside the beltway are most grateful

to you. And stay with it. And whenever you talk to anyone else in your age group, the one thing they need to hear is: Come election time, go to the polls and vote! And—

Audience members. We love you!

The President. —if anyone—

Audience members. New York loves you!

The President. —if anyone tells you that we're just marking time for the next 22 months—the business that I used to be in said: Save something for the third act. And we will.

All right. Thank you all. God bless you.

Note: The President spoke at 3:07 p.m. on the South Grounds of the White House. Following his remarks, he left the White House for a weekend stay at Camp David, MD.

Radio Address to the Nation on Regional Conflicts *March 7, 1987*

My fellow Americans:

I'd like to talk with you today about a matter that means a great deal to all of us and to people all over the world, one of the keys to world peace: relations between the United States and the Soviet Union. You may remember that before I first met with Mr. Gorbachev in Geneva almost a year and a half ago I said that better relations between our two countries depended on four things—arms reduction agreements, yes, but also progress on human rights in the Soviet Union, regional conflicts, and people-to-people exchanges. Secretary of State Shultz will be traveling to Moscow next month to pursue these issues and others with Foreign Minister Shevardnadze.

In the last few months we've seen movement in some of these areas. In one area, however, we're particularly disappointed. I mean the area of regional conflicts. The Soviets continue to occupy Afghanistan. They continue to supply billions of dollars of weapons to regimes like Libya, Syria, Cuba, Nicaragua, Vietnam, Ethiopia, South Yemen, and Angola, and to supply weapons to groups like the PLO. As long as the Soviets keep this up, East-West tensions will continue. And that's why it is in the interest of world peace to convince the Soviets to stop it. The free world today has an opportunity to do just that. And around the world, in many of the countries I've just mentioned, there are people fighting for freedom against Soviet-sponsored oppressors. We can help them.

Take Afghanistan. Soviet policy there is clearly headed for failure. The freedom fighters are gaining in strength and unity. The world community is giving them more and more support. The puppet regime that the Soviets installed 7 years ago seems to be coming apart. In the face of these mounting problems, the Soviets now claim they want to get out but refuse to give a short timetable for withdrawing. And they've escalated military actions against Pakistan, which is unacceptable. They say they want a political settlement and "national reconciliation,"

but they've made no more than cosmetic changes in their puppet regime. It's up to us to make these points to them as strongly as possible. Peace will come only when there is a government in Kabul that enjoys the authentic support and confidence of the Afghan people. Once the Soviets agree to genuine self-determination and an immediate withdrawal, the war could end quickly. The longer the Soviets refuse such a solution, the harder it will be for them to find a way out.

And now, take Nicaragua—much closer to home. The whole world wants to see a peaceful solution there, too. But the heart of the problem in Nicaragua is that, with vast Soviet and Cuban help, the regime there stifles democracy, has crushed the free press, persecutes religious believers, and is consolidating totalitarian control. In the face of this, a democratic resistance is growing. It has inspired the largest, fastest growing, volunteer peasant force in Latin America in almost a century. Its fighters and leaders are largely from poor families. They fight because they've seen Communist oppression firsthand. They are struggling for democracy. To abandon them would betray our own principles. A democratic solution will require real negotiations between the Sandinista regime and its opposition, including the armed resistance. Any diplomacy that excludes the resistance can't solve the problem.

The trend in Central America—indeed, in all of Latin America—is towards democracy. Today four of Central America's five countries are democracies. Nicaraguans want democracy, too. Their current rulers broke their promise to the Organization of American States that they would lead Nicaragua to democracy. And now the Nicaraguan people want them to deliver on that promise. Democracy, progress, and security—those are our goals in Central America, and they're goals the American people support. Last year Congress took a stand for democracy in Central America. This week I asked Congress to renew that commitment.

I sent Congress an economic aid package to strengthen Central America's four democracies. I am also asking Congress to let go forward the remaining money they approved last year to support the freedom fighters in Nicaragua. We must continue to stand by these brave young men and women.

Though Afghanistan and Nicaragua are thousands of miles apart, solving their problems depends on the very same thing: a chance for them and their neighbors to live without fear of aggression, a chance for

their people to choose their own destiny. How much safer the world will be when the Soviet leaders see Americans standing behind such a firm policy for peace. Perhaps the Soviets will even start to spend less on adventures overseas and more on improving life at home.

Until next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from Camp David, MD.

Statement on the Death of Edward Zorinsky

March 7, 1987

Edward Zorinsky was a true public servant. A man of courage and principle, he served the people of Nebraska and of this nation with integrity and a deep sense of patriotism. As mayor of Omaha and later as a United States Senator, Edward Zorinsky was a man of the people. As a Senator he had not only an open door but an open mind, taking stands on issues because they were right, not just because they were popular. I will always remember and be grateful for his support of our 1985 budget and for his support of many other key programs. But even when we may have disagreed on

a particular issue, Ed Zorinsky was fair and honest and earned the respect of his colleagues on both sides of the aisle and here at the other end of Pennsylvania Avenue.

A champion of the needs of farmers, Ed Zorinsky loved the people of Nebraska and felt genuinely honored to serve them. Indeed, they were extraordinarily well served by Ed Zorinsky. The people of Nebraska and all of America mourn the loss of this special man, a true leader. Nancy and I have lost a friend, who we will miss, and extend our deep sympathy to Cece and their children.

Letter to the Speaker of the House of Representatives and the President of the Senate on Nuclear Cooperation With EURATOM

March 9, 1987

Dear Mr. Speaker: (Dear Mr. President:)

The United States has been engaged in nuclear cooperation with the European Community for many years. This cooperation was initiated under agreements concluded over two decades ago between the United States and the European Atomic Energy Community (EURATOM) which extend until December 31, 1995. Since the inception of this cooperation, the community has adhered to all its obligations under

those agreements.

The Nuclear Non-Proliferation Act of 1978 amended the Atomic Energy Act to establish new nuclear export criteria, including a requirement that the United States have a right to consent to the reprocessing of fuel exported from the United States. Our present agreements for cooperation with EURATOM do not contain such a right. To avoid disrupting cooperation with EURATOM, a proviso was included in the

law to enable continued cooperation until March 10, 1980, if EURATOM agreed to negotiations concerning our cooperation agreements, which it did.

The law also provides that nuclear cooperation with EURATOM can be extended on an annual basis after March 10, 1980, upon determination by the President that failure to cooperate would be seriously prejudicial to the achievement of United States non-proliferation objectives or otherwise jeopardize the common defense and security and after notification to the Congress. President Carter made such a determination six years ago and signed Executive Order 12193, permitting continued nuclear cooperation with EURATOM until March 10, 1981. I made such determinations in 1981, 1982, 1983, 1984, 1985, and 1986, and signed Executive Orders 12295, 12351, 12409, 12463, 12506, and 12554, permitting continued nuclear cooperation through March 10, 1987.

In addition to numerous informal contacts, the United States has engaged in eleven rounds of talks with EURATOM regarding the renegotiation of the U.S.-EURATOM agreements for cooperation. These were conducted in November 1978, September 1979, April 1980, January 1982, November 1983, March 1984, May, September

and November 1985, and April and July 1986. Further progress in the talks is anticipated this year.

I believe that it is essential that cooperation between the United States and the Community continue and, likewise, that we work closely with our allies to counter the threat of nuclear explosives proliferation. A disruption of nuclear cooperation would not only eliminate any chance of progress in our talks with EURATOM related to our agreements, it would also cause serious problems in our overall relationships. Accordingly, I have determined that failure to continue peaceful nuclear cooperation with EURATOM would be seriously prejudicial to the achievement of United States non-proliferation objectives and would jeopardize the common defense and security of the United States. I intend to sign an Executive Order to extend the waiver of the application of the relevant export criterion of the Nuclear Non-Proliferation Act for an additional twelve months from March 10, 1987.

Sincerely,

RONALD REAGAN

Note: Identical letters were sent to Jim Wright, Speaker of the House of Representatives, and George Bush, President of the Senate.

Executive Order 12587—Nuclear Cooperation With EURATOM *March 9, 1987*

By the authority vested in me as President by the Constitution and statutes of the United States of America, including Section 126a(2) of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2155(a)(2)), and having determined that, upon the expiration of the period specified in the first proviso to Section 126a(2) of such Act and extended by Executive Orders No. 12193, 12295, 12351, 12409, 12463, 12506 and 12554, failure to continue peaceful nuclear cooperation with the European Atomic Energy Community would be seriously prejudicial to the achievement of the

United States non-proliferation objectives and would otherwise jeopardize the common defense and security of the United States, and having notified the Congress of this determination, I hereby extend the duration of that period to March 10, 1988.

RONALD REAGAN

The White House,
March 9, 1987.

[Filed with the Office of the Federal Register, 4:49 p.m., March 9, 1987]

Letter Accepting the Resignation of John O. Koehler as Assistant to the President and Director of Communications

March 9, 1987

Dear Jack:

It is with profound regret that I accept your resignation, effective March 13, 1987.

I appreciate your coming aboard March 1 to help me pull things together. I admired the enthusiasm with which you plunged into the job, and your loyalty to me. Your selflessness was demonstrated again by your gracious recognition that Howard Baker must have every opportunity.

In the decade or more that we have known each other I always enjoyed our correspondence. You certainly were one of my earliest supporters and I valued the advice you have given me from time to time over the years. I know I can count on you in the future.

Nancy joins me in wishing you and Dorothy Godspeed and, most importantly, good health for you both.

God bless you.

Sincerely,

RONALD REAGAN

Dear Mr. President:

I recognize and endorse the importance that Senator Baker must have his own team with whom he will feel comfortable to carry out your program so vital for the American people. I therefore ask you please to accept my resignation effective March 13.

I have known you for many years and have believed totally in your goals for the United States and for the world from the first day we met in the early 70s. Thus, I welcomed the privilege to serve you albeit briefly. Of course, I was pleased and inspired by our conversation when I accepted your appointment of me. I shall always treasure this memory.

Dorothy and I wish you and The First Lady good health, good fortune and happiness. We will continue to pray that God may grant you the strength to carry out your awesome duties for the benefit of our country and for the world.

Respectfully,

JACK

Nomination of Verne L. Speirs To Be Administrator of the Office of Juvenile Justice and Delinquency Prevention

March 10, 1987

The President today announced his intention to nominate Verne L. Speirs to be Administrator of the Office of Juvenile Justice and Delinquency Prevention, Department of Justice. He would succeed Alfred S. Regnery.

Since 1985 Mr. Speirs has been Administrator, Office for Victims of Crime/Federal Crime Victims Assistance Administrator. Previously, he was the Executive Assistant to the Chairman, Merit Systems Protection Board, 1982-1985; assistant project director/field representative, California State

Board of Corrections, 1980-1982; institutional supervisor, Sacramento County Department of Probation, 1979-1980. Mr. Speirs served on the administrative staff, law and justice agency, Sacramento County, 1978-1979; and in other positions within the California State justice system, from 1966 to 1975.

He graduated from California State University (B.A., 1966; M.S., 1972). Mr. Speirs is married, has two children, and resides in Vienna, VA. He was born June 10, 1942, in Klamath Falls, OR.

Nomination of Evan J. Kemp, Jr., To Be a Member of the Equal Employment Opportunity Commission

March 10, 1987

The President today announced his intention to nominate Evan J. Kemp, Jr., to be a member of the Equal Employment Opportunity Commission for the remainder of the term expiring July 1, 1987. He would succeed William Arthur Webb. He will also be nominated for the term expiring July 1, 1992. This will be a reappointment.

Since 1980 Mr. Kemp has been executive director, Disability Rights Center, Washington, DC. Previously, he was an attorney and

adviser with the Securities and Exchange Commission, 1967–1980; and worked in the Office of the Chief Counsel, Internal Revenue Service, 1964–1967.

He graduated from Washington and Lee University (B.A., 1959) and the University of Virginia School of Law (LL.B., 1964). Mr. Kemp is married and resides in Washington, DC. He was born May 5, 1937, in New York City.

Message to the Congress Transmitting a Report on Soviet Noncompliance With Arms Control Agreements

March 10, 1987

Dear Mr. Speaker: (Dear Mr. President:)

In response to congressional requests as set forth in Public Law 99–145, I am forwarding herewith classified and unclassified versions of the Administration's report to the Congress on Soviet Noncompliance with Arms Control Agreements.

Detailed classified briefings will be available to the Congress in the near future.

I believe the additional information provided, and issues addressed, especially in the more detailed classified report, will significantly increase understanding of Soviet violations and probable violations. Such understanding, and strong congressional consensus on the importance of compliance to achieving effective arms control, will do much to strengthen our efforts both in seeking corrective actions and in negotiations with the Soviet Union.

Sincerely,

RONALD REAGAN

SOVIET NONCOMPLIANCE WITH ARMS CONTROL AGREEMENTS

At the request of the Congress, I have, in

the past three years, provided four reports to the Congress on Soviet noncompliance with arms control agreements. These reports include the Administration's reports of January 1984, and February and December 1985, as well as the report on Soviet noncompliance prepared for me by the independent General Advisory Committee on Arms Control and Disarmament. Each of these reports has enumerated and documented, in detail, issues of Soviet noncompliance, their adverse effects to our national security, and our attempts to resolve the issues. When taken as a whole, this series of reports also provides a clear picture of the continuing pattern of Soviet violations and a basis for our continuing concerns.

In the December 23, 1985, report, I stated:

The Administration's most recent studies support its conclusion that there is a pattern of Soviet noncompliance. As documented in this and previous reports, the Soviet Union has violated its legal obligation under, or political commitment to, the SALT I ABM Treaty and Interim Agreement, the SALT II Agreement, the Limited Test Ban Treaty of 1963, the Biological and Toxin Weapons

Convention, the Geneva Protocol on Chemical Weapons, and the Helsinki Final Act. In addition, the USSR has likely violated provisions of the Threshold Test Ban Treaty.

I further stated:

At the same time as the Administration has reported its concerns and findings to the Congress, the United States has had extensive exchanges with the Soviet Union on Soviet noncompliance in the Standing Consultative Commission (SCC), where SALT-related issues (including ABM issues) are discussed, and through other appropriate diplomatic channels.

I have also expressed my personal concerns directly to General Secretary Gorbachev during my meetings with him, both in 1985 in Geneva and then again this past October in Reykjavik.

Another year has passed and, despite these intensive efforts, the Soviet Union has failed to correct its noncompliant activities; neither have they provided explanations sufficient to alleviate our concerns on other compliance issues.

Compliance is a cornerstone of international law; states are to observe and comply with obligations they have freely undertaken.

In fact, in December 1985, the General Assembly of the United Nations recognized the importance of treaty compliance for future arms control, when, by a vote of 131-0 (with 16 abstentions), it passed a resolution that:

Urges all parties to arms limitation and disarmament agreements to comply with their provisions;

Calls upon those parties to consider the implications of noncompliance for international security and stability and for the prospects for further progress in the field of disarmament; and

Appeals to all UN members to support efforts to resolve noncompliance questions "with a view toward encouraging strict observance of the provisions subscribed to and maintaining or restoring the integrity of arms limitation or disarmament agreements."

Congress has repeatedly stated its concern about Soviet noncompliance. The U.S. Senate, on February 17, 1987, passed a resolution (S. Res. 94), by a vote of 93 to 2,

which:

. . . declares that an important obstacle to the achievement of acceptable arms control agreements with the Soviet Union has been its violations of existing agreements, and calls upon it to take steps to rectify its violation of such agreements and, in particular, to dismantle the newly-constructed radar sited at Krasnoyarsk, Union of Soviet Socialist Republics, since it is a clear violation of the terms of the Anti-Ballistic Missile Treaty . . .

Compliance with past arms control commitments is an essential prerequisite for future arms control agreements. As I have stated before:

In order for arms control to have meaning and credibly contribute to national security and to global or regional stability, it is essential that all parties to agreements fully comply with them. Strict compliance with all provisions of arms control agreements is fundamental, and this Administration will not accept anything less.

I have also said that:

Soviet noncompliance is a serious matter. It calls into question important security benefits from arms control, and could create new security risks. It undermines the confidence essential to an effective arms control process in the future. . . . The United States Government has vigorously pressed, and will continue to press, these compliance issues with the Soviet Union through diplomatic channels.

The ABM Treaty

Today I must report that we have deep, continuing concerns about Soviet noncompliance with the ABM Treaty. For several reasons, we are concerned with the Krasnoyarsk radar, which appeared to be completed externally in 1986. The radar demonstrates that the Soviets were designing and programming a prospective violation of the ABM Treaty even while they were negotiating a new agreement on strategic offensive weapons with the United States.

The only permitted functions for a large, phased-array radar (LPAR) with a location and orientation such as that of the Krasnoyarsk radar would be space-tracking and National Technical Means (NTM) of verifi-

cation. Based on conclusive evidence, however, we judge that this radar is primarily designed for ballistic missile detection and tracking, not for space-tracking and NTM as the Soviets claim. Moreover, the coverage of the Krasnoyarsk radar closes the remaining gap in the Soviet ballistic missile detection and tracking screen; its location allows it to acquire attack characterization data that could aid in planning the battle for Soviet defensive forces and deciding timely offensive responses—a standard role for such radars.

All LPARs, such as the Krasnoyarsk radar, have the inherent capability to track large numbers of objects accurately. Thus, they not only could perform as ballistic missile detection and tracking radars, but also have the inherent capability depending on location and orientation, of contributing to ABM battle management.

LPARs have always been considered to be the long lead-time elements of a possible territorial defense. Taken together, the Krasnoyarsk radar and other Soviet ABM-related activities give us concerns that the Soviet Union may be preparing an ABM defense of its national territory. Some of the activities, such as construction of the new LPARs on the periphery of the Soviet Union and the upgrade of the Moscow ABM system, appear to be consistent with the ABM Treaty. The construction of the radar near Krasnoyarsk, however, is a clear violation of the ABM Treaty, while other Soviet ABM-related activities involve potential or probable Soviet violations or other ambiguous activity. These other issues, discussed fully in the body of the report, are:

The testing and development of components required for an ABM system that could be deployed to a site in months rather than years;

The concurrent operation of air defense components and ABM components;

The development of modern air defense systems that may have some ABM capabilities; and

The demonstration of an ability to reload ABM launchers in a period of time shorter than previously noted.

Soviet activities during the past year have contributed to our concerns. The Soviets have begun construction of three additional

LPARs similar to the Krasnoyarsk radar. These new radars are located and oriented consistent with the ABM Treaty's provision on ballistic missile early warning radars, but they would increase the number of Soviet LPARs by 50 percent. The redundancy in coverage provided by these new radars suggests that their primary mission is ballistic missile acquisition and tracking.

This year's reexamination of Soviet ABM-related activities demonstrates that the Soviets have not corrected their outstanding violation, the Krasnoyarsk radar. It is the totality of these Soviet ABM-related activities in 1986 and earlier years that gives rise to our continuing concerns that the USSR may be preparing an ABM defense of its national territory. The ABM Treaty prohibits the deployment of an ABM system for the defense of the national territory of the parties and prohibits the parties from providing a base for such a defense. As I said in last December's report:

This would have profound implications for the vital East-West balance. A unilateral Soviet territorial ABM capability acquired in violation of the ABM Treaty could erode our deterrent and leave doubts about its credibility.

Chemical, Biological, and Toxin Weapons

The integrity of the arms control process is also hurt by Soviet violations of the 1925 Geneva Protocol on Chemical Weapons and the 1972 Biological and Toxin Weapons Convention. Information obtained during the last year reinforces our concern about Soviet noncompliance with these important agreements. Progress toward an agreement banning chemical weapons is affected by Soviet noncompliance with the Biological and Toxin Weapons Convention. Because of the record of Soviet noncompliance with past agreements, we believe verification provisions are a matter of unprecedented importance in our efforts to rid the world of these heinous weapons—weapons of mass destruction under international law.

The Soviets have continued to maintain a prohibited offensive biological warfare capability. We are particularly concerned because it may include advanced biological agents about which we have little knowl-

edge and against which we have no defense. The Soviets continue to expand their chemical and toxin warfare capabilities. Neither NATO retaliatory nor defensive programs can begin to match the Soviet effort. Even though there have been no confirmed reports of lethal attacks since the beginning of 1984, previous activities have provided the Soviets with valuable testing, development, and operational experience.

Nuclear Testing

The record of Soviet noncompliance with the treaties on nuclear testing is of legal and military concern. Since the Limited Test Ban Treaty (LTBT) came into force over twenty years ago, the Soviet Union has conducted its nuclear weapons test program in a manner incompatible with the aims of the Treaty by regularly permitting the release of nuclear debris into the atmosphere beyond the borders of the USSR. Even though the debris from these Soviet tests does not pose calculable health, safety or environmental risks, and these infractions have no apparent military significance, our repeated attempts to discuss these occurrences with Soviet authorities have been continually rebuffed. Soviet refusal to discuss this matter calls into question their sincerity on the whole range of arms control agreements.

During their test moratorium, the Soviets undoubtedly maintained their sites because they quickly conducted a test soon after announcing intent to do so. Furthermore, there were numerous ambiguous events during this period that can neither be associated with, nor disassociated from, observed Soviet nuclear test-related activities.

Soviet testing at yields above the 150 kt limit would allow development of advanced nuclear weapons with proportionately higher yields of weapons than the U.S. could develop under the Treaty.

The United States and the Soviet Union have met on four occasions during the past year for expert-level discussions on the broad range of issues related to nuclear testing. Our objective during these discussions consistently has been to achieve agreement on an effective verification regime for the TTBT and PNET. I remain hopeful that we can accomplish this goal.

The Helsinki Final Act

In 1981 the Soviet Union conducted a major military exercise without providing prior notification of the maneuver's designation and the number of troops taking part, contrary to its political commitment to observe provisions of Basket I of the Helsinki Final Act.

During the past year, we have reached an accord at the Stockholm Conference on Confidence- and Security-Building Measures that contains new standards for notification, observation, and verification of military activities, including on-site inspection. We will be carefully assessing Soviet compliance with these new standards, which went into effect January 1, 1987.

Recent Developments

At the end of 1986 and during the early weeks of 1987, new information pertaining to some of the issues in this report became available, but it was judged that the data did not necessitate a change in any of the findings. This was partially due to the developing nature of the information at the time and certain ambiguities associated with it. Furthermore, the Soviet Union resumed underground nuclear testing on February 26, 1987.

SALT II and the SALT I Interim Agreement

The Soviet Union repeatedly violated the SALT II Treaty and took other actions that were inconsistent with the Treaty's provisions. In no case where we determined that the Soviet Union was in violation did they take corrective action. We have raised these issues for the past three years in the SCC and in other diplomatic channels.

The Soviets committed four violations of their political commitment to observe SALT II; they were:

The development and deployment of the SS-25 missile, a prohibited second new type of Intercontinental Ballistic Missile (ICBM);
Extensive encryption of telemetry during test flights of strategic ballistic missiles;

Concealment of the association between a missile and its launcher during testing; and
Exceeding the permitted number of strategic nuclear delivery vehicles (SNDVs).

In addition, the Soviets:

Probably violated the prohibition on deploying the SS-16 ICBM;

Took actions inconsistent with their political commitment not to give the BACKFIRE bomber intercontinental operating capability by deploying it to Arctic bases; and

Evidently exceeded the agreed production quota by producing slightly more than the allowed 30 BACKFIRE bombers per year until 1984.

Concerning the SALT I Interim Agreement, the Soviets used former SS-7 ICBM facilities to support deployment of the SS-25 mobile ICBM, and thereby violated the prohibition on the use of former ICBM facilities.

Soviet Noncompliance and U.S. Restraint Policy

On June 10, 1985, I expressed concern that continued Soviet noncompliance increasingly affected our national security. I offered to give the Soviet Union additional time in order to take corrective actions to return to full compliance, and I asked them to join us in a policy of truly mutual restraint. At the same time, I stated that future U.S. decisions would be determined on a case-by-case basis in light of Soviet behavior in exercising restraint comparable to our own, correcting their noncompliance, reversing their military buildup, and seriously pursuing equitable and verifiable arms reduction agreements.

The December 23, 1985, report showed that the Soviets had not taken any actions to correct their noncompliance with arms control commitments. In May 1986, I concluded that the Soviets had made no real progress toward meeting our concerns with respect to their noncompliance, particularly in those activities related to SALT II and the ABM Treaty. From June 1985 until May 1986, we saw no abatement of the Soviet strategic force buildup.

The third yardstick I had established for judging Soviet actions was their seriousness at negotiating deep arms reductions. In May 1986 I concluded that, since the November 1985 summit, the Soviets had not followed up constructively on the commitment undertaken by General Secretary Gorbachev and me to build upon areas of common ground in the Geneva negotia-

tions, including accelerating work toward an interim agreement on INF.

In Reykjavik, General Secretary Gorbachev and I narrowed substantially the differences between our two countries on nuclear arms control issues. However, the Soviets took a major step backward by insisting that progress in every area of nuclear arms control must be linked together in a single package that has as its focus killing the U.S. Strategic Defense Initiative (SDI). Furthermore, it became clear that the Soviets intended to make the ABM Treaty more restrictive than it is on its own terms by limiting our SDI research strictly to the laboratory.

It was, however, the continuing pattern of noncompliant Soviet behavior that I have outlined above that was the primary reason why I decided, on May 27, 1986, to end U.S. observance of the provisions of the SALT I Interim Agreement and SALT II. The decision to end the U.S. policy of observing the provisions of the Interim Agreement (which had expired) and the SALT II Treaty (which was never ratified and would have expired on December 31, 1985) was not made lightly. The United States cannot, and will not, allow a double standard of compliance with arms control agreements to be established.

Therefore, on May 27, 1986, I announced:

In the future, the United States must base decisions regarding its strategic force structure on the nature and magnitude of the threat posed by the Soviet strategic forces and not on standards contained in the SALT structure which has been undermined by Soviet noncompliance and especially in a flawed SALT II Treaty which was never ratified, would have expired if it had been ratified, and has been violated by the Soviet Union.

Responding to a Soviet request, the U.S. agreed to hold a special session of the SCC in July 1986 to discuss my decision. During that session, the U.S. made it clear that we would continue to demonstrate the utmost restraint. At this session we stated that, assuming there is no significant change in the threat we face, the United States would not deploy more strategic nuclear delivery vehicles or more strategic ballistic missile war-

heads than does the Soviet Union. We also repeated my May 27 invitation to the Soviet Union to join the U.S. in establishing an interim framework of truly mutual restraint pending conclusion of a verifiable agreement on deep and equitable reductions in offensive nuclear arms. The Soviet response was negative.

In my May 27 announcement, I had said the United States would remain in technical observance of SALT II until later in the year when we would deploy our 131st Heavy Bomber equipped to carry air-launched cruise missiles. The deployment of that bomber on November 28, 1986, marked the full implementation of that policy.

Now that we have put the Interim Agreement and the SALT II Treaty behind us, Soviet activities with respect to those agreements, which have been studied and reported to the Congress in detail in the past, are not treated in the body of this report. This is not to suggest that the significance of the Soviet violations has in any way diminished. We are still concerned about the increasing Soviet military threat.

A number of activities involving SALT II constituted violations of the core or central provisions of the Treaty frequently cited by the proponents of SALT II as the primary reason for supporting the agreement. These violations involve both the substantive provisions and the vital verification provisions of the Treaty. Through violation of the SALT II limit of the one "new type" of ICBM, the Soviets are in the process of deploying illegal additions to their force that provide even more strategic capability.

Soviet encryption and concealment activities have, in the past, presented special obstacles to verifying compliance with arms control agreements. The Soviets' extensive encryption of ballistic missile telemetry impeded U.S. ability to verify key provisions of the SALT II Treaty. Of equal importance, these Soviet activities undermine the political confidence necessary for concluding new treaties and underscore the necessity that any new agreement be effectively verifiable.

Soviet Noncompliance and New Arms Control Agreements

Soviet noncompliance, as documented in this and previous Administration reports, has made verification and compliance pacing elements of arms control today. From the beginning of my Administration, I have sought deep and equitable reductions in the nuclear offensive arsenals of the United States and the Soviet Union and have personally proposed ways to achieve the objectives in my meetings with General Secretary Gorbachev. If we are to enter agreements of this magnitude and significance, effective verification is indispensable and cheating is simply not acceptable.

I look forward to continued close consultations with the Congress as we seek to make progress in resolving compliance issues and in negotiating sound arms control agreements.

The findings on Soviet noncompliance with arms control agreements follow.

THE FINDINGS

ANTI-BALLISTIC MISSILE (ABM) TREATY

Treaty Status: The 1972 ABM Treaty and its Protocol ban deployment of ABM systems except that each Party is permitted to deploy one ABM system around the national capital area or, alternatively, at a single ICBM deployment area. The ABM Treaty is in force and is of indefinite duration. Soviet actions not in accord with the ABM Treaty are, therefore, violations of a legal obligation.

1. The Krasnoyarsk Radar

Obligation: To preclude the development of a territorial defense or providing the base for a territorial ABM defense, the ABM Treaty provides that radars for early warning of ballistic missile attack may be deployed only at locations along the periphery of the national territory of each Party and that they be oriented outward. The Treaty permits deployment (without regard to location or orientation) of large phased-array radars for purposes of tracking objects in outer space or for use as national technical means of verification of compliance with arms control agreements.

Issue: The December 1985 report exam-

ined the issue of whether the Krasnoyarsk radar meets the provisions of the ABM Treaty governing phased-array radars. We have reexamined this issue.

Finding: The U.S. Government reaffirms the conclusion in the December 1985 report that the new large phased-array radar under construction at Krasnoyarsk constitutes a violation of legal obligations under the Anti-Ballistic Missile Treaty of 1972 in that in its associated siting, orientation, and capability, it is prohibited by this Treaty. Continuing construction and the absence of credible alternative explanations have reinforced our assessment of its purpose. Despite U.S. requests, no corrective action has been taken. This and other ABM-related Soviet activities suggest that the USSR may be preparing an ABM defense of its national territory.

2. Mobility of ABM System Components

Obligation: Paragraph 1 of Article V of the ABM Treaty prohibits the development, testing, or deployment of mobile land-based ABM systems or components.

Issue: The December 1985 report examined whether the Soviet Union has developed a mobile land-based ABM system, or components for such a system, in violation of its legal obligation under the ABM Treaty. We have reexamined this issue.

Finding: The U.S. Government reaffirms the judgment of the December 1985 report that the evidence on Soviet actions with respect to ABM component mobility is ambiguous, but that the USSR's development and testing of components of an ABM system, which apparently are designed to be deployable at sites requiring relatively limited special-purpose site preparation, represent a potential violation of its legal obligation under the ABM Treaty. This and other ABM-related Soviet activities suggest that the USSR may be preparing an ABM defense of its national territory.

3. Concurrent Testing of ABM and Air Defense Components

Obligation: The ABM Treaty and its Protocol limit the Parties to one ABM deployment area. In addition to the ABM systems and components at that one deployment area, the Parties may have ABM systems

and components for development and testing purposes so long as they are located at agreed test ranges. The Treaty also prohibits giving components, other than ABM system components, the capability "to counter strategic ballistic missiles or their elements in flight trajectory" and prohibits the parties from testing them in "an ABM mode." The Parties agreed that the concurrent testing of SAM and ABM system components is prohibited.

Issue: The December 1985 compliance report examined whether the Soviet Union has concurrently tested SAM and ABM system components in violation of its legal obligation since 1978 not to do so. It was the purpose of that obligation to further constrain testing of air defense systems in an ABM mode. We have reexamined this issue.

Finding: The U.S. Government reaffirms the judgment made in the December 1985 report that the evidence of Soviet actions with respect to concurrent operations is insufficient fully to assess compliance with Soviet obligations under the ABM Treaty. However, the Soviet Union has conducted tests that have involved air defense radars in ABM-related activities. The large number, and consistency over time, of incidents of concurrent operation of ABM and SAM components, plus Soviet failure to accommodate fully U.S. concerns, indicate the USSR probably has violated the prohibition on testing SAM components in an ABM mode. In several cases this may be highly probable. This and other ABM-related activities suggest the USSR may be preparing an ABM defense of its national territory.

4. ABM Capability of Modern SAM Systems

Obligation: Under subparagraph (a) of Article VI of the ABM Treaty, each party undertakes not to give non-ABM interceptor missiles, launchers, or radars "capabilities to counter strategic ballistic missiles or their elements in flight trajectory, and not to test them in an ABM mode. . . ."

Issue: The December 1985 report examined whether the Soviet Union has tested a SAM system or component in an ABM mode or given it the capability to counter strategic ballistic missiles or their elements

in flight trajectory in violation of their legal obligation under the ABM Treaty. We have reexamined this issue.

Finding: The U.S. Government reaffirms the judgment made in the December 1985 report that the evidence of Soviet actions with respect to SAM upgrade is insufficient to assess compliance with the Soviet Union's obligations under the ABM Treaty. However, this and other ABM-related Soviet activities suggest that the USSR may be preparing an ABM defense of its national territory.

5. Rapid Reload of ABM Launchers

Obligation: The ABM Treaty limits to 100 the number of deployed ABM interceptor launchers and deployed interceptor missiles. It does not limit the number of interceptor missiles that can be built and stockpiled. Paragraph 2, Article V, of the Treaty prohibits the development, testing or deployment of "automatic or semi-automatic or other similar systems for rapid reload" of the permitted launchers.

Issue: The December 1985 report examined whether the Soviet Union has developed, tested, or deployed automatic, semi-automatic, or other similar systems for rapid reload of ABM launchers in violation of its legal obligation under the ABM Treaty. We have reexamined this issue.

Finding: The U.S. Government reaffirms the judgment made in the December 1985 report that, on the basis of the evidence available, the USSR's actions with respect to the rapid reload of ABM launchers constitute an ambiguous situation as concerns its legal obligations under the ABM Treaty not to develop systems for rapid reload. The Soviet Union's reload capabilities are a serious concern. These and other ABM-related Soviet activities suggest that the USSR may be preparing an ABM defense of its national territory.

6. ABM Territorial Defense

Obligation: The ABM Treaty and Protocol allow each party a single operational site, explicitly permit modernization and replacement of ABM systems or their components, and explicitly recognize the existence of ABM test ranges for the development and testing of ABM components. The ABM Treaty prohibits, however, the deployment

of an ABM system for defense of the national territory of the parties and prohibits the parties from providing a base for such a defense.

Issue: The December 1985 report examined whether the Soviets have deployed an ABM system for the defense of their territory or provided a base for such a defense. We have reexamined this issue.

Finding: The U.S. Government reaffirms the judgment of the December 1985 report that the aggregate of the Soviet Union's ABM and ABM-related actions (e.g., radar construction, concurrent testing, SAM upgrade, ABM rapid reload and ABM mobility) suggests that the USSR may be preparing an ABM defense of its national territory. Our concern continues.

BIOLOGICAL WEAPONS CONVENTION AND 1925 GENEVA PROTOCOL

Chemical, Biological, and Toxin Weapons

Treaty Status: The 1972 Biological and Toxin Weapons Convention (BWC) and the 1925 Geneva Protocol are multilateral treaties to which both the United States and the Soviet Union are Parties. Soviet actions not in accord with these treaties and customary international law relating to the 1925 Geneva Protocol are violations of legal obligations.

Obligations: The BWC bans the development, production, stockpiling or possession, and transfer of microbial or other biological agents or toxins except for a small quantity for prophylactic, protective or other peaceful purposes. It imposes the same obligation in relation to weapons, equipment and means of delivery of agents or toxins. The 1925 Geneva Protocol and related rules of customary international law prohibit the first use in war of asphyxiating, poisonous or other gases and of all analogous liquids, materials, or devices and prohibits use of bacteriological methods of warfare.

Issues: The December 1985 report examined whether the Soviets are in violation of provisions that ban the development, production, transfer, possession, and use of biological and toxin weapons and whether they have been responsible for the use of lethal chemicals. We have reexamined this issue.

Finding: The U.S. Government judges that continued activity during 1986 at suspect biological and toxin weapon facilities in the Soviet Union, and reports that a Soviet BW program may now include investigation of new classes of BW agents, confirm the conclusion of the December 1985 report that the Soviet Union has maintained an offensive biological warfare program and capability in violation of its legal obligation under the Biological and Toxin Weapons Convention of 1972.

There have been no confirmed attacks with lethal chemicals or toxins in Kampuchea, Laos, or Afghanistan in 1986 according to our strict standards of evidence. Although several analytical efforts have been undertaken in the past year to investigate continuing reports of attacks, these studies have so far had no positive results. Therefore, there is no basis for amending the December, 1985, conclusion that, prior to this time, the Soviet Union has been involved in the production, transfer, and use of trichothecene mycotoxins for hostile purposes in Laos, Kampuchea, and Afghanistan in violation of its legal obligation under international law as codified in the Geneva Protocol of 1925 and the Biological and Toxin Weapons Convention of 1972.

THRESHOLD TEST BAN TREATY

Nuclear Testing and the 150 Kiloton Limit

Treaty Status: The Threshold Test Ban Treaty (TTBT) was signed in 1974. The Treaty has not been ratified by either Party but neither Party has indicated an intention not to ratify. Therefore, both Parties are subject to the obligation under customary international law to refrain from acts that would defeat the object and purpose of the TTBT. Actions that would defeat the object and purpose of the TTBT are therefore violations of legal obligations. The United States is seeking to negotiate improved verification measures for the Treaty. Both Parties have separately stated they would observe the 150-kiloton threshold of the TTBT.

Obligation: The Treaty prohibits beginning March 31, 1976, any underground nuclear weapon tests having a yield exceeding 150 kilotons at any place under the jurisdic-

tion or control of the Parties. In view of the technical uncertainties associated with estimating the precise yield of nuclear weapon tests, the sides agreed that one or two slight, unintended breaches per year would not be considered a violation.

Issue: The December 1985 report examined whether the Soviets have conducted nuclear tests in excess of 150 kilotons. We have reexamined this issue.

Finding: During the past year, the U.S. Government has been reviewing Soviet nuclear weapons test activity that occurred prior to the self-imposed moratorium of August 6, 1985, and has been reviewing related U.S. Government methodologies for estimating Soviet nuclear test yields. The work is continuing. In December 1985, the U.S. Government found that: "Soviet nuclear testing activities for a number of tests constitute a likely violation of legal obligations under the Threshold Test Ban Treaty." At present, with our existing knowledge of this complex topic, that finding stands. It will be updated when studies now under way are completed. Such studies should provide a somewhat improved basis for assessing past Soviet compliance. Ambiguities in the nature and features of past Soviet testing and significant verification difficulties will continue, and much work remains to be done on this technically difficult issue. Such ambiguities demonstrate the need for effective verification measures to correct the verification inadequacies of the Threshold Test Ban Treaty and its companion accord, the Peaceful Nuclear Explosions Treaty.

LIMITED TEST BAN TREATY

Underground Nuclear Test Venting

Treaty Status: The Treaty Banning Nuclear Weapon Tests in the Atmosphere, in Outer Space and Under Water (Limited Test Ban Treaty) (LTBT) is a multilateral treaty that entered into force for the United States and the Soviet Union in 1963. Soviet actions not in accord with this treaty are violations of a legal obligation.

Obligations: The LTBT specifically prohibits nuclear explosions in the atmosphere, in outer space, and under water. It also prohibits nuclear explosions in any other envi-

ronment “if such explosions cause radioactive debris to be present outside the territorial limits of the State under whose jurisdiction or control such explosion is conducted.”

Issue: The December 1985 report examined whether the USSR’s underground nuclear tests have caused radioactive debris to be present outside of its territorial limits. We have reexamined this issue.

Finding: The U.S. Government reaffirms the judgment made in the December 1985 report that the Soviet Union’s underground nuclear test practices resulted in the venting of radioactive matter on numerous occasions and caused radioactive matter to be present outside the Soviet Union’s territorial limits in violation of its legal obligation under the Limited Test Ban Treaty. The Soviet Union failed to take the precautions necessary to minimize the contamination of man’s environment by radioactive substances despite numerous U.S. demarches and requests for corrective action.

HELSINKI FINAL ACT

Helsinki Final Act Notification of Military Exercises

Legal Status: The Final Act of the Conference on Security and Cooperation in Europe was signed in Helsinki in 1975. This document represents a political commitment and was signed by the United States and the Soviet Union, along with 33 other States. Soviet actions not in accord with that document are violations of their political commitment.

Obligation: All signatory States of the Helsinki Final Act are committed to give

prior notification of, and other details concerning, major military maneuvers, defined as those involving more than 25,000 troops.

Issue: The December 1985 report examined whether notification of the Soviet military exercise “Zapad-81” was inadequate and therefore a violation of the Soviet Union’s political commitment under the Helsinki Final Act. We have reexamined this issue.

Finding: The U.S. Government previously judged and continues to find that the Soviet Union in 1981 violated its political commitment to observe provisions of Basket I of the Helsinki Final Act by not providing all the information required in its notification of exercise “Zapad-81.” Since 1981, the Soviets have observed provisions of the Helsinki Final Act in letter, but rarely in spirit. The Soviet Union has a very restrictive interpretation of its obligations under the Helsinki Final Act, and Soviet implementation of voluntary confidence-building measures has been the exception rather than the rule. The Soviets have notified all exercises requiring notification (i.e., those of 25,000 troops or over), but have failed to make voluntary notifications (i.e., those numbering fewer than 25,000 troops). In their notifications, they have provided only the bare minimum of information. They have also observed only minimally the voluntary provision providing that observers be invited to exercises, having invited observers to only fifty percent of notified activities.

Note: Identical letters were sent to Jim Wright, Speaker of the House of Representatives, and George Bush, President of the Senate.

Nomination of Harry O'Connor To Be a Member of the Board of Directors of the Corporation for Public Broadcasting

March 11, 1987

The President today announced his intention to nominate Harry O'Connor to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1991. This is a

reappointment.

Mr. O'Connor was first appointed to this position in May 1983. Currently, he is president, Pacific Pioneer Broadcasters (formerly O'Connor Creative Services), of Playa del

Rey, CA, a company that he founded in 1968.

Mr. O'Connor is married, has five chil-

dren, and resides in Playa del Rey, CA. He was born March 22, 1926, in San Antonio, TX.

Remarks at the White House Ceremony Opening the "Roads to Liberty" Exhibit

March 11, 1987

Mr. Chief Justice and distinguished guests, let me start by thanking Louis Gerstner and American Express for putting together the exhibit that I'm about to see. The documents gathered here are the springs from which the great river of human freedom rises. Assembling this exhibit at any time would be a great service to our nation. Doing it this year is, of course, especially appropriate, because this year we mark the 200th anniversary of the start of the greatest experiment in self-government in the history of man.

Just 200 years ago this May, a small group of men from 12 of the 13 American States gathered in a hall in Philadelphia to debate the form of a new order for the ages. They came from as far north as New Hampshire and as far south as Georgia. Barriers of distance and special interest might have divided them and the people of their States from one another, but something even greater held them together. That something was a common dedication to the rights of man. It was their common devotion to the proposition that governments derive their just powers from the consent of the governed. And it was their mutual conviction that here on these American shores they would raise a light unto the nations—a light of self-government, of liberty, and of hope. Yes, many of the Founding Fathers traveled great distances to get to Philadelphia 200 years ago, but in a larger sense, mankind has traveled a great distance to that hall, as well. And today we have a glimpse of how long that journey was. And in the months ahead there in the "Roads to Liberty" exhibit, millions of Americans will also be able to see the landmarks of that trail.

The greatest landmark was, perhaps, the first, as the Chief told us. The year was

1215. The place was Runnymede. King John signed a great charter that declared that all free men had rights and that there were limits to the powers of the King. Yes, it was a great and enduring charter. Its letter remains in part in the statute books of Britain to this day, more than seven-and-a-half centuries later. Its spirit remains entirely in the hearts of free people everywhere and will forever. And now let me say here to Dean Oliver Fiennes how deeply all Americans appreciate the generosity of the Lincoln Cathedral for the loan of the Cathedral's copy of the Magna Carta for this exhibit.

Many of the other landmarks on this road are small: the Mayflower Compact—the statement of a small group of settlers as they were about to set foot in the New World; the Fundamental Orders of Connecticut—the first constitution agreed upon on American shores; it set out the government of just three towns. And even the Declaration of Independence, the Articles of the Confederation, the Constitution, and the Bill of Rights were written for a small country. Sometimes I can't help thinking there must have been monarchs and nobility around the world who smiled at our pretensions in that long, hot summer of 1787. We Americans were so small and weak. And yet each of these documents speak with a force far greater than all the armies that have ever marched: the force of the love of freedom that is born with the birth of every living soul. That force has guided us and given us strength in our journey for two centuries, our journey across a continent and to the stars and into the heart of every man and woman on Earth who dreams of a life of liberty.

Today and in the months ahead we cele-

brate this 200th anniversary. Let us, as we remember from where we have come, also think of the journey ahead. Let us rededicate ourselves to America's mission of freedom; and let us resolve that we will stand, as did those before us, with all who love freedom and yearn for democracy, wherever they might be. And let us remember our heritage and, with it, our destiny—the destiny of this shining city on a hill, this beacon of freedom for all the peoples of the Earth.

And now, I've talked enough, and with what remains for us to do—to go through

and see this exhibit here—I will say as King Henry VIII said to each of his six wives, "I won't keep you long." [Laughter]

Note: The President spoke at 2:33 p.m. at the South Portico of the White House. In his opening remarks, he referred to Louis V. Gerstner, Jr., president of the American Express Co. After making opening remarks, former Chief Justice Warren E. Burger introduced the President. The exhibit toured 82 cities in 19 States.

Statement by Assistant to the President for Press Relations Fitzwater Announcing the Sub-Saharan Africa Assistance Initiative March 11, 1987

Today the President is announcing an initiative to help end hunger in sub-Saharan Africa by establishing a common, long-term goal for all U.S. economic programs and policies in sub-Saharan Africa: to end hunger in the region through economic growth, policy reform, and private sector development. The United States will also seek to promote donor coordination on comprehensive structural adjustment as well as on assistance programs, and will continue its efforts to encourage the constructive involvement of the U.S. private sector in promoting African economic growth.

Last May, at the U.N. General Assembly Special Session on the Critical Economic Situation in Africa, African leaders committed themselves to economic policy reforms designed to unleash the energies of their productive sectors, and requested donors to review the quality of their assistance programs in order to further this goal. The United States intends to respond to the Africans' request. Their commitment to recovery and reform deserves our support. While Africa has recovered from the 1984–85 famine, its economic situation remains precarious, and the threat of famine and the reality of poverty continue to cloud Africa's future.

Last September the President established

a White House task force to lead an interdepartmental review of U.S. economic policies and programs for sub-Saharan Africa. The task force, jointly chaired by the National Security Council staff and the White House Office of Policy Development, included the Departments of State, Treasury, Agriculture, Commerce, and Defense; the Office of Management and Budget; the Agency for International Development; the Central Intelligence Agency; the U.S. Trade Representative; the U.S. Information Agency; the Peace Corps; and the Overseas Private Investment Corporation. The task force has completed its work and has recommended a program of action:

—Donor countries should negotiate through the existing IMF/World Bank coordination process framework agreements with each sub-Saharan African country to establish long-term structural adjustment and reform programs.

—A separate budget account should be created for U.S. bilateral assistance to Africa in order to focus better on rewarding economic performance and increasing the flexibility of U.S. assistance programs for incentive economic reforms and private sector development.

—New efforts should be made to address Africa's heavy debt burden, such as through strengthening multilateral arrangements.

—U.S. food assistance programs should stress production incentives for recipient governments, communities, and individuals to reinforce economic reform and productivity.

—Continued and improved African access to world markets should be promoted to reward good performance and to enable African countries to earn their way toward economic growth.

—The U.S. private sector should be mobilized to complement African and donor efforts through expanded private, voluntary, and corporate involvement of a humanitarian and business nature.

—A high-level interagency coordinating committee will be created to ensure that all U.S. activities, programs, and policies for sub-Saharan Africa are fully consistent with these policy goals.

The preliminary work of this task force is reflected in proposals already presented in the President's FY 1988 budget submission, as noted in the legislative message he submitted to accompany the State of the Union Address. In an era of scarce aid resources, we have no responsible alternative but to maximize the effectiveness and efficiency of our assistance programs and to encourage recipient countries own efforts to promote productivity and growth. To do otherwise would be to risk perpetuating dependency.

The African countries have made a commitment to economic reform and structural adjustment. The world community committed itself to help Africa achieve these objectives. The President intends to work closely with the 100th Congress in a bipartisan spirit to pursue a goal which he knows is shared by all Americans.

Message to the Congress Transmitting Proposed Legislation on Federal Credit Reform

March 12, 1987

To the Congress of the United States:

The Federal government is the Nation's largest financial intermediary. At the end of 1986, it had \$252 billion of direct loans and \$450 billion of guaranteed loans outstanding. The government provides credit to many different types of borrowers: homeowners, farmers, students, small businesses, exporters, utilities, shipbuilders, and State, local, and foreign governments. Over the past 20 years, Federal direct loans and guaranteed loans outstanding have grown at a 9 percent annual rate.

Despite the vast size of Federal credit, and its obvious importance to the economy, the present budgetary treatment of Federal credit programs does not show the real cost of these programs. The result is the misallocation of resources and ineffective budgetary control.

Federal credit is provided on more favorable terms and conditions than those available in the private sector. The present value of this difference is a subsidy to the borrower. This subsidy to federally assisted

borrowers comes at the expense of taxpayers and of all other borrowers, who pay higher interest rates or fees than they otherwise would have paid, or who are not able to borrow at all.

For direct loans, the present budget measures new loans to borrowers and any associated interest or other costs minus repayments (or sales) of previous loans and interest and fees received. This is misleading in four ways. Disbursement of new loans overstates the cost to the government because the government now owns a financial asset with market value. However, the fact that loans are expected to be repaid leaves the impression that, over time, they are costless; this is not so because Federal credit programs provide subsidies to the borrowers. The subtraction from disbursements related to new loans of repayments and interest on previous loans obscures the effect of current decisions. The budget accounts do not sort through this confusion to show how much of a new loan is a financial asset and how much is a subsidy or expendi-

ture.

For loan guarantees, the present budget does not record any cost unless and until defaults occur. At the time the commitment to guarantee a loan is made, the guarantee is treated as a free good compared with a purchase, a grant, or a direct loan.

The appropriation of budget authority does not provide meaningful control of either direct loans or loan guarantees. Most direct loans are made from revolving funds. Defaults on guaranteed loans are a legal obligation of the government. In both cases, appropriations are unrelated to decisions to provide credit subsidies.

Because of these inadequacies, a separate credit budget was created to record and to limit the volume of new direct loan obligations and new guaranteed loan commitments. The credit budget has the advantage of focusing attention on the decisions that commit the government to new expenditures. But it does not show the cost of these expenditures—the subsidies. Instead, it shows the total volume of credit assisted. Thus, it does not distinguish between programs with deep subsidies and those with small ones. Moreover, the credit budget is separate from the unified budget, so trade-offs between credit and other spending cannot be made.

In my Budget Message last January, I promised to send to the Congress legislation “whereby the true cost to the economy of Federal credit programs would be counted in the budget.” The proposed legislation I am transmitting today, the “Federal Credit Reform Act of 1987,” carries out that pledge. This legislation was developed by the Federal Credit Policy Working Group of the Economic Policy Council. It builds on recommendations made by the President’s Commission on Budget Concepts in 1967, on analyses by the Office of Management and Budget and the Congressional Budget Office, and on proposals made in recent years by various members of Congress.

The bill is intended to provide the Congress and the Administration with accurate measures of the benefits of Federal credit programs, to place their cost on a budgetary basis equivalent to other Federal spending, to encourage the delivery of benefits in the form most appropriate to the needs of

beneficiaries, to improve the allocation of resources among credit programs and between credit and other spending, and to provide for the efficient financing of obligations issued, sold, or guaranteed by Federal agencies.

To achieve these goals, the bill would change the budgetary treatment of credit transactions by charging Federal agencies for the amount of subsidies inherent in credit programs. These subsidies are the present value of the difference between the terms and conditions on which direct loans or loan guarantees are available to borrowers in the private sector and the easier ones provided by Federal credit programs. If the borrower were given a grant equivalent to this subsidy and then obtained a private loan or loan guarantee, the borrower would be equally well off.

The draft bill would record this grant-equivalent subsidy of credit programs in the budgets of Federal credit agencies. The Congress would be asked to appropriate funds for these subsidies, thereby allocating resources on an equivalent basis among credit programs and between credit programs and other government spending.

The unsubsidized portion of a Federal direct loan is a financial asset. This is the present value of the expected interest and repayments by the borrower. The bill creates a Federal Credit Revolving Fund in the Department of the Treasury to finance the financial asset portion of direct loans.

The most direct way to divide a new loan between its “grant” and “loan” components is to sell it promptly, competitively, and without any government guarantee of future repayment. The bill proposes that agencies do so as an agent for the Fund, unless exempt because of foreign policy or other program considerations.

The most direct way to identify the subsidy inherent in a federally guaranteed loan is to purchase reinsurance in the private market. The cost of purchasing reinsurance, minus any fees paid by the borrower, is the grant equivalent of providing a Federal guarantee. The bill proposes that agencies arrange for the purchase of reinsurance as an agent of the Fund, in order to measure this subsidy.

The Federal Credit Revolving Fund, in consultation with the Federal agency, would be responsible for estimating the subsidy in Federal loans and loan guarantees, using the information from the sales and reinsurance or using standard methods when loans are not sold or reinsured. The Fund would establish an automated accounting and control system to keep track of the status of the Fund's accounts and to ensure that agency credit activity is limited to the amounts appropriated for subsidy costs. In addition, the Fund would serve as a central financing mechanism—providing the financial asset portion of new direct loans, assuming the contingent liability for new guaranteed loans, and receiving subsidy payments from the agencies, all fees, interest, repayments, proceeds from the sale of new loans, and collateral acquired through defaults on guaranteed loans.

Nothing in the bill changes the credit programs that the Congress enacted or changes the existing authority of agencies to operate credit programs. Agencies would continue to arrange and approve direct loans and loan guarantees as they do now, would service those that had not been sold or reinsured, and would arrange for sale or reinsurance. The legal rights of borrowers would not be changed.

The proposed budgetary treatment of credit affects the deficit only to the extent that loan assets are sold and guaranteed loans are reinsured. The net effects of our planned sales and reinsurance were estimated in my 1988 Budget. The "scoring" of this credit reform proposal, itself, is otherwise deficit neutral.

Because the Congress requested submission of the 1988 Budget nearly a month early—and we met that goal—we were not able to include the effect of this credit reform proposal, account by account, in our January 5th and January 28th documents. I am now sending the necessary budget amendments and appropriations language to the Congress. I hope that you will be able to include them in your consideration of the 1988 Budget.

Credit reform is one of numerous management improvement initiatives that I will be transmitting to you in the FY 1988 *Management Report*. I look forward to working cooperatively with the Congress to make these reforms in the budgetary treatment of credit and in the management of Federal credit programs.

RONALD REAGAN

The White House,
March 12, 1987.

Statement on the Death of Woody Hayes

March 12, 1987

Woody Hayes was a legend in college football. Colorful and sometimes even controversial, he cared deeply about his players, his team, and his school. Under his coaching, Ohio State University won 12 Big 10 titles and became one of the Nation's most respected college football teams. Coach Hayes' greatest satisfaction came from getting to know his players. He en-

joyed a special relationship with them, many of whom stayed in touch with him years after their collegiate days were over. He was an institution at OSU and seemed to have a special knack for knowing just what to do to get an athlete to go the extra mile. Nancy and I extend our deep sympathy to his family and to the Ohio State University community.

Remarks Following a Meeting With President Daniel T. arap Moi of Kenya

March 12, 1987

President Reagan. It has been my great pleasure to welcome and confer with an old friend and one of Africa's leading statesmen, President Daniel arap Moi of Kenya. Under President Moi's leadership, Kenya has enjoyed economic development and political stability. With an admirable sense of purpose, he has guided his people and country successfully through some very trying times. Probably no other nation in Africa, for example, handled the severe drought of 1984 as well as Kenya under President Moi's guiding hand. It was testimony of his competence and commitment.

I previously met President Moi when he visited the United States in 1981. Vice President Bush visited Kenya in 1982. And just recently, Secretary Shultz spent several days in that country. These top-level exchanges reflect the high value we place on our friendship. Over the years since independence, Kenya has been a success story, an example for all of Africa to follow. Internationally, it has been a moderate, wise, and constructive member of the family of nations. Bilaterally, our two countries have had exemplary relations. Our peoples share a commitment to the principles of representative government, private ownership, and individual freedom.

I personally look to President Moi as a friend and a trusted counselor on international issues, especially those concerning Africa. We've just completed a most productive 2-hour discussion which covered a full range of bilateral issues as well as a number of African and international items of mutual interest. We also discussed budget restraints in the United States and the implications for Kenya of overall reduced aid levels—how we could best cope with them and still meet our commitments to one of America's staunchest friends in Africa. We agreed on the urgent need to attract more foreign investment to Kenya and discussed ideas on how that could best be accomplished.

President Moi, during the course of the

next few days, will be meeting with a host of government and private sector leaders. I'm happy to report that as he embarks on the remainder of this busy and important visit, U.S.-Kenya relations—building on a long history of mutual friendship and respect—are healthy and vibrant. We are honored and pleased to have you here, President Moi.

President Moi. Thank you very much. Ladies of the press and gentlemen of the press, in our meeting I explained to President Reagan that Kenya has invested in its future in freedom. We cherish democracy and the rule of law, as enshrined in our Constitution. Kenya has managed to establish a stable economic and political system that has worked well. Today Kenya is among the few African countries which have food surplus. We came to Washington to express our friendship and to strengthen our cooperation for the mutual benefit of our two countries. Kenya's proud of its cooperation with the United States of America. We invite American businessmen and industrialists to invest in Kenya's thriving economy. I assure you all that we have created the necessary infrastructure to absorb American investment.

Our discussions with President Reagan today covered many subjects, including the economic and political situation in eastern and southern Africa. We welcome the major initiative which you, Mr. President, have taken on the economic problems facing the continent of Africa. Kenya, in a modest way, has pursued the policy of giving incentives to farmers. And agriculture is assuming the highest priority it deserves. This is what has enabled us over the years to provide enough food to feed the increasing population.

In the course of our discussion, I reminded President Reagan that in South Africa the values of human dignity our two countries cherish are being abused daily. An end to apartheid is inevitable, and the sooner it comes, the less will be the bloodshed and

violence. The world community, in general, and in Africa, in particular, look upon the United States for a deeper commitment to this cause. Thank you.

Note: President Reagan spoke at 1:30 p.m. at the South Portico of the White House. Earlier, the two Presidents met in the Oval Office. Following their meeting, they had lunch in the Residence.

Appointment of Six Members of the Aviation Safety Commission *March 12, 1987*

The President announced his intention to appoint the following individuals to be members of the Aviation Safety Commission:

S. John Byington, of Virginia. Since 1983 Mr. Byington has been partner, Pillsbury, Madison and Sutro. He graduated from Ferris State College (B.S., 1959) and Georgetown University (J.D., 1963). Mr. Byington is married, has two children, and resides in Annandale, VA. He was born October 9, 1937, in Grand Rapids, MI.

Joseph P. Kalt, of Massachusetts. Since 1986 Mr. Kalt has been professor of political economy, John F. Kennedy School of Government, Harvard University. Mr. Kalt graduated from Stanford University (B.A., 1973) and UCLA (M.A., 1977; Ph.D., 1980). He is married, has two children, and resides in Winchester, MA. Mr. Kalt was born January 12, 1951, in Winchester, MA.

Michael E. Levine, of California. Since 1985 Mr. Levine has been a William T. Dalessi Professor of Law, University of Southern California Law Center. He graduated from Reed College (B.A.,

1962) and Yale University (LL.B., 1965). Mr. Levine is married, has two children, and resides in Pasadena, CA. He was born April 8, 1941, in New York City.

Russell W. Meyer, Jr., of Kansas. Since 1975 Mr. Meyer has been chairman and chief executive officer, Cessna Aircraft Co. He graduated from Yale University (B.A., 1954) and Harvard Law School (J.D., 1961). Mr. Meyer is married, has five children, and resides in Wichita, KS. He was born July 19, 1932, in Davenport, IA.

John E. Robson, of Illinois. Since 1986 Mr. Robson has been dean, school of business administration, and professor of management, Emory University. He graduated from Yale University (B.A., 1952) and Harvard University Law School (J.D., 1955). Mr. Robson is married, has two children, and resides in Atlanta, GA. He was born June 21, 1930, in Chicago, IL.

Thomas W. Wathen, of California. Since 1964 Mr. Wathen has been president, California Plant Protection, Inc. He graduated from Indiana University (B.A., 1954). Mr. Wathen resides in Encino, CA, and was born November 5, 1929, in Vincennes, IN.

Memorandum on Grants to State and Local Governments *March 12, 1987*

Memorandum for the Heads of Executive Departments and Agencies

Subject: Uniform Requirements for Grants to State and Local Governments

In 1971, the Office of Management and Budget (OMB) issued standards governing the fiscal and administrative requirements for grants and assistance to State and local governments in Circular A-102, "Uniform Requirements for Assistance to State and

Local Governments." Circular A-102 was a significant step toward the simplification of grants management at the time. However, after 16 years, some of the provisions are out of date, there are gaps where the standards do not cover important areas, and agencies have interpreted the circular in numerous different ways in their regulations. It is now time for the circular to be revised to reflect developments consistent with our Federalism policies and State and

local regulatory relief objectives and the President's Management Improvement Program.

A 20-agency Task Force under the President's Council on Management Improvement, chaired by the OMB, was established to review OMB Circular A-102 and suggest ways to simplify grants management requirements. To complete this effort, I hereby direct the following actions:

1. The OMB will revise Circular A-102 to specify uniform, Government-wide terms and conditions for grants to State and local governments and provide policy guidance to Federal agencies on grants management.
2. Within 90 days of the date of this

memorandum, all affected Executive departments and agencies shall simultaneously propose common regulations that adopt the Government-wide terms and conditions verbatim, except where there are inconsistent statutory requirements. Within one year of the date of this memorandum, such departments and agencies shall issue common regulations.

3. The OMB shall consult periodically with State and local governments and other affected organizations and interest groups to consider improvements in grants management.

RONALD REAGAN

Statement on the Appointment of Kenneth M. Duberstein as Deputy Chief of Staff to the President *March 12, 1987*

I am today announcing the appointment of Kenneth M. Duberstein to be Deputy Chief of Staff at the White House. Ken will assume his new duties on Monday, March 23. I am pleased that he has agreed to join our new team at the White House.

Ken served me well in the Office of Legislative Affairs of the White House from January 22, 1981, to December 15, 1983, and I welcome him back home. Ken is an outstanding manager, who has worked with the Congress to achieve some of the most

important victories of my administration. He will be a valuable asset as we begin the next 2 years. We have a number of issues—including arms control, SDI, the budget, welfare reform, trade legislation, and catastrophic health—which will require Ken's expert guidance in the months ahead. I know that he will be a valuable asset to me and to my Chief of Staff, Senator Howard Baker, as we move forward in the next 2 years.

Remarks to Business Leaders During a White House Briefing on Budget Reform *March 13, 1987*

I feel a little bit like the old vaudevillian, the ventriloquist, that said to the audience as an encore, "I'll sing 'Yankee Doodle Dandy' while drinking a glass of water at the same time." [*Laughter*] Well, welcome to the Old Executive Office Building. It's wonderful to see so many friends and supporters. For the last 6 years we've fought the good fight to get government spending

under control, and it hasn't been easy. We haven't been able to let down our guard for one moment. But despite the momentum built up by the 50-year-old spending juggernaut, we've made dramatic headway. Sometimes we forget that deficit spending in this country—with only 1 or 2 rare, exceptional years—has been going on for more than 50 years. And for most of that time, it was

explained as necessary to maintain prosperity. Well, for the first time in more than a decade, the Federal Government is actually spending less this fiscal year, in real terms, than the year before; and that's no small accomplishment. *[Applause]* Now, I should be applauding you, because you—all of you—and the American people, I think, deserve full credit.

As we've begun to rein in Federal spending, we've been able to bring taxes down and subdue the monster of inflation. And the result: what our European allies have called the American miracle, the creation of over 13 million new jobs in an economic expansion that may well become the longest in peacetime history. And the engine of job creation is keeping up its pace. It created 337,000 new jobs last month alone. I've had to learn, I didn't know just how the statisticians worked this out, but do you all understand what is considered the full potential employment pool in America? It is everyone—male and female—from age 16 up. Well, right now 61.3 percent of that pool, the highest percentage in our history, is employed. I think that's more meaningful than the unemployment rate that we keep flirting with. But family income is rising. Employment is holding, as I've pointed out, at historic highs. And America's poor are climbing out of poverty.

You know, I told my senior staff in this room the other day that one definition of an economist is someone who sees something happen in practice and wonders if it'd work in theory. *[Laughter]* You know, anymore, I'm kind of limited as to ethnic stories that I can tell. That's one I can tell; my degree was in economics. *[Laughter]*

Well, there's no question about it: Our combined program of tax cuts, deregulation, and spending cuts is working miracles. We've created a revolution of hope and opportunity. But all these achievements and all this progress is imperiled at this very moment—imperiled by a Congress that won't give up its big spending ways. One of the first actions of the 100th Congress was an \$18 billion boondoggle so loaded with unnecessary and politically motivated spending that I was forced to veto it. But now, even before Congress has drawn up their budget, some there are saying that

they want to back away from our commitment to Gramm-Rudman-Hollings. Some are even saying that they want to raise taxes again on the American people.

Well, I'm sorry, but that's just not going to happen. The American people worked long and hard to cut tax rates and win tax reform. They put their trust in their elected representatives, and they were promised by those representatives that they would be given the long-overdue tax relief they so truly deserve. Well, we're not going to break faith with the American people. I promise you: Tax reform will go ahead as scheduled.

You know, all this talk about raising taxes reminds me of a story I heard once down in Louisiana about a farmer who took his son out for the first time duck hunting with him. And they sat there in the blind, and a mallard came down, landed right in front of them. The father wasn't too much of a sportsman. He raised up his gun and took a shot at it, and when the smoke cleared, the duck was still sitting there peaceful as could be. Well, he took a second shot, and this time the duck was still there. And tried a third time, and this time the mallard took off and flew away. A little embarrassed in front of his son, the father turned to his son and said, "Son, you have just witnessed a miracle. You've just seen a dead duck fly." *[Laughter]* Well, all these tax hike schemes have about as much chance of flying as a dead duck. My pledge to veto any tax rate increase remains rock-solid. There will be no tax rate increase in the 100th Congress. It's time Congress cut the Federal budget and left the family budget alone.

Of course, you know, we wouldn't have to fight this battle all year, every year, if the congressional budget process weren't so desperately in need of reform. As I've said before, the budget process here at the Federal level is unworkable, an embarrassment to the American way of governing. Every year we see the effects of this breakdown: budget deadlines delayed or missed completely, monstrous year-end budget busters, and so-called continuing resolutions with billions and billions of dollars for boondoggles and special interest programs. They're protected, built into that, because the

whole government would be stopped if you attempted to veto anything of that kind. You know, when it comes to this yearly budget process, I keep thinking of that current movie hit, "The Little Shop of Horrors." [Laughter] Now, the budget isn't exactly like the man-eating plant in that movie. It isn't mean, and it isn't green. It doesn't come from outer space. But it does only say one thing: "Feed me! Feed me! Feed me!" [Laughter]

And this yearly budget-feeding process must stop. After a long, hard struggle, the American people won a major victory with tax reform. We finally got the special interests out of the tax code, and now it's time to get them out of the budget. And that's why we must not delay. We must act now to pass a constitutional amendment to balance the budget. Most of our States have such a provision in their State constitutions.

And I can tell you, after 8 years as Governor, that most of our States have a budgeting process that is sensible and practical and works; and it makes the Federal Government look like the Mickey Mouse arrangement that it is. And let us act to—in addition to that constitutional amendment—swiftly to reform the budget process with the same tool that 43 Governors use to cut waste out of State budgets. Give the President the line-item veto. I haven't had that kind of fun that I would have since I was Governor; because there, in 8 years, I line-itemed 943 times without being over-ridden.

Well, in the meantime, our elected representatives cannot break their promise to the American people. There can be no backing away from our commitment to the deficit reduction goals of Gramm-Rudman-Hollings. Otherwise, our economic prosperity will never be safe. The pressures for more and more Federal spending will grow until they burst through all remaining constraints. We'll be back where we were 7 years ago with Federal spending running wildly out of control. You remember when, in the '76 election, our opponents coined a thing called the misery index. You added

inflation to the unemployment rate. They weren't talking about that along about 1980, because it had grown to more than 20 in total. And now it's down to around a third of that or less. So, we've taken over on the misery index and think it's the proper thing to use. But inflation is going to come back in force, and our economic expansion and the millions of jobs we created—well, they'll only be a memory.

I've submitted a budget that meets the Gramm-Rudman-Hollings deficit limit for fiscal year 1988. It's a good budget, a sound budget—the result of hard work by our Cabinet and our agency heads, the ones who have to run the programs. They say that they can run them for the money that we're asking. And up in the Congress, there are people who don't have to run the programs who say it can't be done. It'll keep us on track—this budget—toward eliminating deficit spending. It'll help build the foundation for a continued economic expansion with low inflation, high job creation, and a reduced trade deficit. I don't believe them when they say it can't be done. Congress can keep its Gramm-Rudman-Hollings commitment if it wants to; it only has to want to.

I'm going to keep pushing, and my Cabinet is going to be out front pushing, too. We've all got to speak out loud and clear and let Congress know there can be no backsliding on this issue. It's time to rise above politics and self-interest. It's time once and for all to end deficit spending, to put America on a growth path, creating jobs and opportunity for all Americans through the end of the century and beyond. And believe me, you are the kind of dynamo that can bring this about. Maybe I've said it to you before; I'll say it again: You don't have to make them see the light. Just make them feel the heat!

Thank you very much. God bless you all.

Note: The President spoke at 1:16 p.m. in Room 450 of the Old Executive Office Building.

Radio Address to the Nation on National Security and Administration Goals *March 14, 1987*

My fellow Americans:

This afternoon I thought I'd brief you on important changes that have taken place recently in our administration and on our agenda for the months to come. To begin with, every administration has its own national security team, the group of officials who assist the President in shaping our nation's foreign policy. With the recent addition of Senator Howard Baker as my Chief of Staff, Frank Carlucci as national security adviser, and the nomination of Judge William Webster as the new Director of Central Intelligence, my own national security team is once again complete.

Secretary of State Shultz and Secretary of Defense Weinberger have been members of that team for some time, and let me say now that no President has ever been better served by two such men on his National Security Council. They've given long years of committed service to this Nation in a variety of important positions in government; and the Nation can be grateful, as I, for their intellect, dedication, and integrity. They're also men of strong conviction, men who've never hesitated to give me their unvarnished views on national security issues under consideration. They're men willing to speak up, regardless of the strength of opposition or the natural bureaucratic tendency to compromise or go along. And that's why I consider them so valuable. In the case of the Iranian arms sale matter, both Secretary Shultz and Secretary Weinberger advised me strongly not to pursue the initiative. I weighed their advice but decided in the end that the initiative was worth the risk and went forward. As we now know, it turned out they were right and I was wrong. But they discharged their responsibilities as my advisers and as my subordinates, and I'm enormously grateful that I will continue to be receiving their views in the months ahead, as we move forward with our agenda.

And in these coming months, that word "agenda" will be an important one. You

see, I've made these important changes here at the White House to see to it that we're back in control and moving ahead with all that you elected me to accomplish. On the domestic side, our agenda will include changes in the Federal budget process and wide-ranging welfare reforms designed to bring to an end the cycle of poverty that has trapped so many needy Americans. And in foreign policy—well, let me put it this way: America faces great problems in the world but even greater opportunities. We see a chance for significant progress in arms reduction talks with the Soviet Union, provided we maintain a steady course and bargain hard. Yet, at the same time, Soviet adventurism must be dealt with. Central America, in particular, remains of absolutely vital importance to the United States. And here the Congress has crucial decisions to make about whether our nation will truly support democracy and help resist tyranny in a region so close to our own borders. My own commitment remains rock-solid; I will fight any effort to cut off support for the Nicaraguan freedom fighters and consign them to death or defeat. In domestic and foreign policy alike, what it all comes down to is this: We've got a job to do, and for the next 2 years—with your help and support—we intend to do it.

Permit me now to turn to two other matters of great importance. First, last year's tax reform meant that early this year millions of Americans found themselves filling out W-4 forms that were downright confusing. I know; I had to fill one out myself. Well, we heard your complaints and worked with the IRS to come up with a new, much simpler W-4 form that will be available in about a month. So, the American people took on the tax man and won.

Second, earlier this week, our administration announced reforms at the Food and Drug Administration that will make it easier for victims of AIDS and other life-threatening diseases to obtain new, experimental drugs. This step to roll big govern-

ment back just a little bit further could very well mean less pain and suffering for thousands of seriously ill Americans. It's a measure, in other words, that's humane in every sense of the word.

And now, if you'll permit me, a final word about a subject that just happens to be close to my Irish heart: St. Patrick's Day. Since the potato famine in the middle of the last century, millions of sons and daughters of Erin have come to America seeking a better life. But of course, whether Irish or

not, virtually all of us as Americans trace our ancestry back to immigrants from distant lands, men and women who came to America with a firm willingness to work, asking only freedom. And so, I just have to believe that this coming Tuesday—well, as Americans, we'll all be entitled to celebrate.

Until next week, thanks for listening. God bless you.

Note: The President spoke at 12:06 p.m. from Camp David, MD.

Appointment of Leslye A. Arsht as Special Assistant and Deputy Press Secretary to the President

March 16, 1987

The President today announced his intention to appoint Leslye A. Arsht as Special Assistant and Deputy Press Secretary to the President.

Prior to joining the White House staff, she had spent 7 months working on her first novel. Previously, Ms. Arsht was director of public affairs for the Boston-based Cabot Corporation (1983–1986), where she also served as manager of corporate communications (1979–1983). From 1975 to 1979, Ms. Arsht was associated with Union Carbide Corporation; she was named the manager of public relations for Union Carbide's Washington office in 1976. Ms. Arsht

has served as a public information specialist for the United States Environmental Protection Agency (1973–1975); and as a writer and editor for the White House News Summary (1969–1972). In 1981 Ms. Arsht was named Communicator of the Year by the Yankee Chapter of the International Association of Business Communicators. She was a recipient of the YWCA's 1985 Twin Award (Tribute to Women in International Industry).

She graduated from the University of Houston (B.A., Political Science, 1968). Ms. Arsht is a native of Houston, TX, and currently resides in Washington, DC.

Appointment of Franklin L. Lavin as Deputy Assistant to the President and Director of the Office of Political Affairs

March 16, 1987

The President today announced his intention to appoint Franklin L. Lavin to be Deputy Assistant to the President and Director, Office of Political Affairs. He will succeed Haley Barbour.

Since June 1986 Mr. Lavin has served as the Deputy Executive Secretary (Coordination) of the National Security Council. Previously, Mr. Lavin was the finance director

for the National Republican Senatorial Committee, 1985; Associate Director, White House Office of Public Liaison, 1984–1985; Special Assistant to the Assistant Administrator for African Affairs, Agency for International Development (AID), 1983–1984; Assistant Director, President's Commission on Executive Exchange, 1982–1983; Director of Private and Voluntary Programs, Asia

Bureau, AID, 1981–1982; and Assistant to the Deputy Director, Office of Presidential Personnel, 1981. Prior to joining the Reagan administration, Mr. Lavin served as a consular assistant at the American Institute in Taiwan and worked in the Republican National Committee and served in several political campaigns.

Mr. Lavin received his bachelor of science degree from the School of Foreign Service at Georgetown University in 1980 and his master of arts in Chinese language and history from Georgetown University in 1985. He is married and has one daughter. Mr. Lavin resides in Washington, DC, and was born October 26, 1957, in Canton, OH.

Message on the Observance of St. Patrick's Day, 1987 *March 16, 1987*

It's a very special pleasure to say Happy St. Patrick's Day to sons and daughters of St. Patrick wherever and whoever they may be. To those of Irish ancestry go my particular greetings on this glorious day.

This is a time when we honor St. Patrick for his missionary achievements some 1,500 springtimes ago, and all the Irish for their accomplishments throughout history. They have done much for civilization throughout the world, and for America. We all recognize the Irish gift for the spoken and written word, for courage, for commitment and for kindness. Irish men and women have written some of our history's most memorable pages in war and in peace.

During the perilous days of our Nation's birth, nine of the signers of our Declaration claimed Irish ancestry and four were Irish-born. No fewer than 20 of our Revolution-

ary generals were Irish, and John Barry, often called the father of the United States Navy, hailed from County Wexford. Nor were Irishmen lacking among the framers of the Constitution whose bicentennial we celebrate this year. To this day, Irish-Americans continue their contributions to America—after all, who brought the America's Cup home this year but a lad named Dennis Conner?

These are all facts, but should anyone accuse me of partiality I might happily plead guilty as charged. It's no secret where my heritage lies, and that's among the green glens and warm hearts of "the land of song and story."

To all the kin of St. Patrick, Nancy and I send best wishes for every blessing. And in Irish, *Dia libh go leir*—God be with you all.

RONALD REAGAN

Proclamation 5618—To Amend the Quantitative Limitations on Imports of Certain Cheeses *March 16, 1987*

By the President of the United States of America

A Proclamation

1. Quantitative limitations previously have been imposed on the importation of certain cheeses pursuant to the provisions of section 22 of the Agricultural Adjustment Act of 1933, as amended (7 U.S.C. 624). Section 701 of the Trade Agreements Act of

1979 (the "Act") provides that the President shall by proclamation limit the quantity of quota cheeses specified therein which may enter the United States in any calendar year after 1979 to not more than 111,000 metric tons.

2. By Proclamation No. 4708 of December 11, 1979, and Proclamation No. 4811 of December 30, 1980, quantitative limitations

on imports of such cheeses were established as required by the Act. By Proclamation No. 5425 of January 6, 1986, the quantitative limitations were modified to permit imports of certain cheeses from Uruguay. Such quantitative limitations appear in part 3 of the Appendix of the Tariff Schedules of the United States (TSUS).

3. I have determined that it is appropriate to modify the quantitative limitations in the TSUS to reflect the Government of Portugal's accession to the European Economic Community. The quota allocations previously made to Portugal shall be transferred to the European Economic Community.

4. I have also determined that it is appropriate to modify the quantitative limitations in the TSUS in order to implement certain undertakings to the European Economic Community. The quantitative limitations set forth in the Appendix to the TSUS shall be modified also to add to the existing quota allocation for the European Economic Community an additional 1,572 metric tons. This modification does not reduce any existing quota allocations.

5. These actions do not increase the annual aggregate quantity of quota cheese to an amount in excess of 111,000 metric tons.

Now, Therefore, I, Ronald Reagan, President of the United States of America, by the authority vested in me by the Constitution and the statutes of the United States of America, including section 701 of the Trade Agreements Act of 1979 and section 22 of the Agricultural Adjustment Act of 1933, as amended, do hereby proclaim that, effective January 1, 1987, part 3 of the Appendix to the Tariff Schedules of the United States is modified as follows:

1. TSUS Item 950.10 is modified by

changing the line beginning with the "European Economic Community" to read as follows:

"European Economic Community	7,352,340	3,335,000"
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2. TSUS Item 950.10C is modified by deleting the line beginning with "Portugal" and changing the line beginning with "European Economic Community" to read as follows:

"European Economic Community	7,991,675	3,625,000"
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3. TSUS Item 950.10D is modified by changing the line beginning with "European Economic Community" to read as follows:

"European Economic Community.	45,097,296 (of which 728,223 are reserved for Portugal).	20,456,000 (of which 353,000 are reserved for Portugal)"
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In Witness Whereof, I have hereunto set my hand this 16th day of March, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 4:22 p.m., March 16, 1987]

Proclamation 5619—Women's History Month, 1987

March 16, 1987

*By the President of the United States
of America*

A Proclamation

From earliest times, women have helped

shape our Nation. Historians today stress all that women have meant to our national life, but the rest of us too should remember, with pride and gratitude, the achievements of women throughout American history.

Those achievements span the wide range of human endeavor. They have not been attained without the quiet courage and sacrifice of millions of women, some famed, most not. Women have established themselves in business and the professions, and today women outnumber men as undergraduates at our colleges and universities. Women have fought for moral and social reform and have taken part in and led many great social and political movements of our land. Women have founded many of our philanthropic, cultural, educational, and charitable institutions. Women have served our Nation with valor and distinction during wartime, nursing the wounded, piloting airplanes, performing vital jobs in defense plants. Women have forged a place for themselves in public life, serving on the Supreme Court, in the Congress, and in Cabinet posts; becoming Ambassadors; and holding Federal Executive posts that affect the lives of every citizen.

Most importantly, as women take part in the world of work, they also continue to embrace and nurture the family as they have always done. All Americans can be

truly grateful for the role of women as the heart of the family and for their every accomplishment today and throughout our history.

The Congress, by Senate Joint Resolution 20, has designated the month of March 1987 as "Women's History Month" and authorized and requested the President to issue a proclamation in observance of this event.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim March 1987 as Women's History Month. I call upon all Americans to mark this month with appropriate observances to honor the achievements of American women.

In Witness Whereof, I have hereunto set my hand this sixteenth day of March, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 4:23 p.m., March 16, 1987]

Proclamation 5620—Freedom of Information Day, 1987 *March 16, 1987*

*By the President of the United States
of America*

A Proclamation

March 16 is the birthday of James Madison, our fourth President. We choose this day to celebrate our freedom of access to information about government because Madison, throughout his life, never ceased to mention the freedoms that help us learn everything we need to know about matters relating to our liberties and all public concerns.

Madison is often called the architect of the Constitution, whose Bicentennial we celebrate this year. He was a leading framer of that charter and was the chief recorder of the Constitutional Convention. He later helped frame the Bill of Rights, the first ten

amendments to the Constitution, which spell out guarantees of our rights. He and other Founders knew that only a well-informed and educated citizenry could maintain liberty and that the freedoms of speech, religion, and the press protected by the First Amendment are central to that purpose.

Americans enjoy these freedoms and a free, responsive, and reasonable interaction between members of the public and those in government offices. We have always understood that our freedom of information is compatible with protection of national security and rights of privacy. As we celebrate free access to information as part of our heritage, let us honor the memory of President Madison for the wisdom and the devo-

tion to the liberty of the American people that were his credo and his way of life.

The Congress, by Public Law 99-539, has designated March 16, 1987, as "Freedom of Information Day" and authorized and requested the President to issue a proclamation in observance of this event.

Now, *Therefore, I, Ronald Reagan*, President of the United States of America, do hereby proclaim March 16, 1987, as Freedom of Information Day, and I call upon the people of the United States to observe

this day with appropriate programs and activities.

In Witness Whereof, I have hereunto set my hand this sixteenth day of March, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 4:24 p.m., March 16, 1987]

Remarks at a Ceremony Honoring the Coast Guard for the Rescue of the Crew of the Soviet Merchant Ship *Komsomolets Kirgizii* March 17, 1987

Secretary Dole, Vice Admiral Irwin, Chargé Sokolov, American and Soviet citizens: Good morning and welcome to the White House. And I want to make my welcome especially warm, because for so many of you, coming here today was—well, let's just say that it was unexpected, to say the least.

The first distress signal reached the Coast Guard station at Cape May, New Jersey, at 8:20 this past Saturday morning. Just 15 minutes later, the Coast Guard had established radio contact with the stricken vessel—a Soviet freighter—and fixed her position at a point some 200 miles east of Cape May. The distress signals were relayed to the Coast Guard Air Station on Cape Cod, and what took place next represents one of the most dramatic rescue missions in the history of the Coast Guard.

Three Coast Guard helicopters left Cape Cod to rendezvous with two C-130's already flying above the troubled vessel. The first chopper, piloted by Lieutenant Keith Comer, reached the ship at 11:19 a.m. He found her listing 26 degrees to port, in seas that were running 20 feet, with waves that would soon crash over the pilot house, the highest point of the ship. Lieutenant Comer's helicopter was being blasted by rain and sleet and gale force winds that were gusting up to 55 knots. But Lieutenant Comer managed to hover steadily some

75 feet above the ship. And then, with infinite care, he and his crew lowered a wire basket to the pitching deck. A woman was the first to climb into the basket, then others. And in all, Lieutenant Comer and his crew rescued 15 people before heading back to shore. The second helicopter, flown by Captain Richard Hardy, a Canadian Air Force pilot on an exchange program, arrived at 11:40 a.m. and took 16 crewmembers aboard. The third helicopter, piloted by Lieutenant Commander Gary Poll, plucked up the last six crewmembers and carried them to safety. And the only injury in all of this—a cut finger.

Coast Guard officials said afterwards that it was hard to overstate the skill and bravery that the rescue involved. I think we all know what they mean: screaming winds, the rain, the sleet, the pitching seas, transferring people from a moving ship to moving helicopters, pilots contending with the helicopters' fuel range. One Coast Guard spokesman said with admirable understatement that "in view of the fuel situation, they had to do it pretty rapidly."

This mission represents just one more example of cooperation between the United States and the Soviet Union in search and rescue missions. Indeed, the Coast Guard and the Soviet merchant marines are scheduled to hold further talks in Moscow early

next month. But in the end, the story of this rescue is above all the story of human beings, of men and women in desperate danger and the men and women who saved their lives.

And if I could just interject something here, in the past I've often talked about what would happen if ordinary Americans and people from the Soviet Union could get together—get together as human beings, as men and women who breathe the same air, share the same concerns about making life better for themselves and their children. And here we have a case where just that happened—where pilots from Mission Viejo, California, Cincinnati, Ohio, and Prince Edward Island, Canada, reached out to sailors from Leningrad, Novgorod, and Yaroslavl. I hope and pray that, no matter how stormy international affairs, the leaders of the world can look at what happened between these fliers and sailors and be duly inspired. After all, this good planet whirling through space isn't so very different from a ship upon the sea. We must reach out to each other in good will, for we have no

other alternative.

And so, to Captain Khurashev and his fine crew rescued from the Soviet vessel: Welcome again to our country, and we thank God for your safety. As you prepare to return home—I'm going to be very brave here—*Schastlovogo puti* [Good journey]. And to all the men and women of the United States Coast Guard who made this rescue possible: As your Commander in Chief, it's my high honor to commend you on a job well done. In your courage, your tenacity, your know-how, you summed up all that is best in the American spirit; in a word, all that is heroic. Congratulations once again! God bless you.

Note: The President spoke at 11:14 a.m. in the Rose Garden at the White House. His remarks were translated into Russian by an interpreter. In his opening remarks, the President referred to Secretary of Transportation Elizabeth Hanford Dole; Vice Adm. James C. Irwin, Vice Commandant of the U.S. Coast Guard; and Oleg M. Sokolov, Soviet Chargé d'Affaires in Washington, DC.

Remarks at a St. Patrick's Day Reception

March 17, 1987

Thank you all very much, and Ambassador MacKernan, distinguished guests, *a chairde gaeil* [Irish friends]. And a special thanks to Prime Minister Haughey for doing the honors with the shamrocks. It's an honor and a pleasure for me to be here with you, sharing the spirit and the festivities of St. Patrick's Day. The blessed St. Patrick, we're told, died on this day in the year of our Lord 461. And leave it to the Irish to be carrying on a wake for 1,500 years. [Laughter]

St. Patrick, as we know, was the historic man of God who, with passion and strength of conviction, converted the people of Ireland to Christianity. I have a deep and abiding respect for the accomplishments of St. Patrick, an individual who was able to turn the head of the entire Irish race. Having

done my best these last 6 years, even on the minor issues, to convert the likes of Senator Kennedy and Speaker O'Neill—[laughter]—I can only stand in awe of such a man. [Laughter] St. Patrick's imprint can be found, even today, on the character of the Irish people and on all of us who trace our roots to Ireland.

One of the most moving moments in my Presidency was my return to Ballyporeen about 3 years ago. I'd like to take this opportunity to thank again the Irish people for giving me such a warm homecoming. I'd also like to take this moment to make two serious points. It was another such visit paid by an American President of Irish descent, John Fitzgerald Kennedy, that resulted in the formation of the American Irish Foundation. For over two decades, the

American Irish Foundation has been doing exemplary work on both sides of the Atlantic, underscoring the bonds of affection and blood between our countries. Since 1976 its efforts have been accompanied by those of the Ireland Fund, which is a nonpolitical, nonsectarian organization that raises funds to promote peace, culture, and charity in Ireland. George Bernard Shaw once wrote: "The worst sin towards our fellow creatures is not to hate them, but to be indifferent to them: That's the essence of inhumanity." Well, no one involved in either of these two fine organizations could ever be labeled indifferent. Today it's an honor for me to recognize that the American Irish Foundation and the Ireland Fund are now officially merged into one operation.

This is its first day, and it's called the American Ireland Fund. With us today are William Vincent, Daniel Rooney, and John Brogan. Absent, but who would've been here with them, Tony O'Reilly, chairman of that organization. And good luck to them, and good luck to all of you. And God bless the fine work that is being done. This type of commitment, this individual responsibility, is a part of the American way of life, perhaps a part that can be traced back to Ireland. I know in my own family we were far from affluent, but we were raised—taught—to help others.

On this special day, one can't help but think of the suffering that still plagues St. Patrick's island. For nearly two decades, the north has been torn by sectarian violence that has taken the lives of more than 2,500 men, women, and children. This brutal and senseless violence against people and destruction of property is a poison of no possible benefit, an elixir of death and heartbreak that, for humanity's sake and all of Ireland's sake, must be set aside. Out of this tragic situation, the Governments of the United Kingdom and Ireland took a courageous and farsighted step in November of 1985 when they signed the Anglo-Irish Agreement. The United States supports this accord as a realistic framework within

which the problems of Northern Ireland can be addressed, an avenue which holds the best hope of political stability and economic regeneration. This agreement was warmly welcomed here, yet we cannot ignore that since its signing, violence has continued in the north. I think the time has long since come when people of good will—north and south and on both sides of the Atlantic—should draw the line and let the perpetrators and supporters of this violence and mayhem know that they will no longer be tolerated.

For our part, the United States continues to stand ready to help. Last year Congress authorized and I signed into law a contribution of \$120 million to the International Fund for Ireland. And just this morning, I signed the necessary certification that will allow us to begin disbursement. This effort, along with private contributions, has accomplished much, but there is a long way to go. Now is the time for people in and out of government to move forward aggressively. Social harmony and economic progress in Ireland will not come easy, but better, more peaceful times will come. Together, the people of Ireland and the United States can make that happen.

It was over 1,400 years ago when legend tells us that St. Brendan set forth in his leather boat and headed west. He came back with stories of a new world. Today our task is not so easy. If we are to have a new world, we must build it, and we must do it together. So, on this St. Patrick's Day, I express the best wishes of the people of the United States to our cousins and friends, the people of Ireland. *O mo chroi amach* [From the bottom of my heart], thank you, and God bless you.

Note: The President spoke at 12:46 p.m. at the residence of Irish Ambassador Padraic N. MacKernan. Prior to the President's remarks, Irish Prime Minister Charles H. Haughey presented him with a crystal bowl filled with shamrocks from Ireland.

Toast at a St. Patrick's Day Luncheon March 17, 1987

Speaker Wright, distinguished Members of the House and Senate, honored guests, it's a pleasure for me to be with you sharing in the spirit of this magnificent day. And talk about the luck of the Irish, I got over that case of the laryngitis that was plaguing me last week just in time for St. Patrick's Day. [Laughter] Looking around this room—especially when I see my old friend, Tip O'Neill—I can't help but feel that we're living testimony to the notion that Irishmen love a good scrap. Some of us have been in a few of them in our day, and before we leave Washington, I'm certain we'll be in a few more.

I remember my dear father once told me of a fella who walked into a saloon, pounded on the bar, and said in a loud voice, "Show me an Irishman, and I'll show you a wimp." And about a 6½-foot Irishman stepped forward, rolling up his shirt sleeves as he did so, and said, "I'm Irish." The fella said, "Well, I'm a wimp." [Laughter]

Ah, yes, today everyone wants to be Irish. It's gratifying to find that so many of our friends and colleagues are Irish—at least for the day. There's Sean Byrd, Shamus Wright—[laughter]—and, of course, Paddy O'Dole. [Laughter] Today is a day for good fun and infectious happiness for all Irishmen. I should know—I've been Irish longer than almost all of you. But not all Irishmen are as witty as we would like to think. You know, there's the story of an Irishman who was walking down the road. He had a great sack tied over his shoulders. And a wise fellow along the road says, "If I can guess how many potatoes you have in that sack, can I have one?" And the Irishman replied, "If you can guess how many potatoes are in the sack, you can have both of 'em." [Laughter]

Seriously though, America's been blessed by her Irish children. One arrival earlier in this century—and I like to tell about it—it was his first day in New York and—a young fellow—and he started out across Broadway against the light. And a New York cop grabbed him and said, "Where do you think

you're going?" Well, he said he was simply trying to get to the other side of the street. But when that New York cop heard that brogue, he warmed right up and he said, "Well now, lad," he said, "come back here. You stay right here." He says, "When that light turns green," he says, "that's for you to go to the other side of the street." So, he stood there waiting for the light to turn green. The light turned orange for a few seconds, as they do, and then turned green. He started out. He got about 10 or 12 feet out, turned back to the cop, and he said, "They don't give them damn Protestants much time, do they?" [Laughter]

Throughout our history, Americans of Irish descent have played such a role. The first St. Patrick's Day parade in Boston was recorded as far back as 1737. It's interesting to note that during the American Revolution, it was on St. Patrick's Day, 1776, when the British ended their occupation of Boston and evacuated the city. One can only wonder if it was the American cannons on Dorchester Heights or the thought of spending—enduring—another St. Patrick's Day celebration that demoralized them so. [Laughter] But seriously though, we Americans of Irish descent can be proud of the part our ancestors played in building this great country, even from its earliest days. Ben Franklin may have been the first to note the Irish influence. In 1784 he wrote, "It is a fact that the Irish immigrants and their children are now in possession of the government in Pennsylvania, by their majority in the Assembly as well as of a great part of the territory; and I remember well the first ship that brought any of them over." Benjamin Franklin said that. One wonders what old Ben would say if he were to be with us at this gathering today. Knowing that he was a man who loved a good time, I'm certain that he'd put on a shamrock and call himself Benjamin O'Franklin just for the occasion.

Our forefathers and mothers were people with a passion for liberty and justice. So, today let us remember them and live up to

the great expectations they had for us and for this beloved country of ours. I came across something that is labeled as an old Irish curse or blessing: "May those who love us, love us. And those that don't love us, may the Lord turn their hearts. And if the Lord doesn't turn their hearts, may he turn their ankles so that we'll recognize them by their limping." [Laughter]

Well, it's my privilege, if you will allow me—and please do this in the Philadelphia style, which is that you only rise to toast the

dead. I'm still worried about your rising a moment ago. [Laughter] But to our guest, the Prime Minister of Ireland.

Thank you all. God bless you.

Note: The President spoke at 1:50 p.m. in the Speaker's Dining Room at the Capitol. Jim Wright, Speaker of the House of Representatives, hosted the luncheon. In his closing remarks, the President referred to Irish Prime Minister Charles H. Haughey.

Statement on Acid Rain

March 18, 1987

I am pleased to announce today several steps being taken to ensure that the United States continues to work closely with the Canadian Government in determining and addressing the environmental effects of acid rain. These actions resulted from a review of this issue I directed my Domestic Policy Council to undertake, and are consistent with the recommendations made by the joint envoys on acid rain, Drew Lewis, of the United States, and William Davis, of Canada. Prime Minister Mulroney and I endorsed their recommendations in March 1986. This past year government-to-government coordination and research cooperation with Canada on acid rain problems have been substantially strengthened, as recommended by the envoys. The administration also has implemented the initial phase of the Department of Energy Clean Coal Technology Program and has completed an inventory of Federal, State, and private clean coal research and demonstration projects, which are expected to expend more than \$6 billion by 1992.

To maintain the progress we are making, I am directing three major steps to continue to carry out the envoys' proposals.

- The first will be to seek the full amount of the Government's share of funding recommended by the joint envoys—\$2.5 billion—for demonstration of innovative control technology over a 5-year period. Five hundred million dollars will be

requested for fiscal years 1988 and 1989 to fund innovative emissions control projects. I will also encourage industry to invest an equal or greater amount over this period and to stimulate development and deployment of innovative technologies for reduction of air pollution emissions. This builds on activities already underway in the Department of Energy Clean Coal Technology Program.

- The second step I am taking is to direct the Secretary of Energy to establish an advisory panel. This panel, which will include participation by State governments and by the Government of Canada, will advise the Secretary of Energy on funding and selection of innovative control technologies projects. Projects will be selected, as fully as practicable, using the criteria recommended by the joint envoys.

- Third, I am asking the Vice President to have the Presidential Task Force on Regulatory Relief, which he chairs, review Federal and State economic and regulatory programs to identify opportunities for addressing environmental concerns under existing laws. The task force will examine incentives and disincentives to the deployment of new emissions control technologies and other cost-effective, innovative emission reduction measures now inhibited by various Federal, State, and local regulations. The findings and results of the task force review will be reported in 6 months along with any rec-

ommendations for changes to existing regulations.

I have advised Prime Minister Mulroney of these decisions. Next month I will travel to Canada to discuss these and other issues with the Prime Minister. I feel these steps

will help both countries to better understand and address this shared environmental problem, so that future specific actions that are taken will be cost-effective and represent appropriate taxpayer expenditures.

Executive Order 12588—Haitian Assets Title Dispute *March 18, 1987*

Action Against Certain Assets of Disputed Title

By the authority vested in me as President by the Constitution and laws of the United States, including section 204 of the Special Foreign Assistance Act of 1986 (Public Law 99-529) and section 301 of Title 3 of the United States Code, and for the limited purpose of preserving the status quo pending a judicial resolution of the proceedings that have been or may be instituted by the Government of Haiti in its efforts to recover assets allegedly stolen by its former President, Jean Claude Duvalier, and his associates, and without expressing any opinion as to the merits of any claim or defense in any judicial proceeding, it is hereby ordered as follows:

Section 1. The acquisition, transfer (including transfer on the books of any issuer, holder, or depository), payment, disposition, transportation, exportation, or withdrawal of, or the recording of interest in or ownership of, or any deed of title, mortgage, or other evidence of ownership or title regarding or dealing in, any real or personal property, of any kind whatsoever, located in the United States and described in Section 2 of this Order is prohibited unless expressly authorized by the Secretary of the Treasury under such terms and conditions as he may prescribe.

Sec. 2. Property will be considered to fall within the scope of this Order and to be subject to the prohibition contained in Section 1 when:

(a) The Government of Haiti certifies, in writing with appropriate documentation, to the Secretary of the Treasury that:

(1) it has initiated litigation in the Federal

or State courts of the United States alleging that the Government of Haiti or its instrumentalities should be awarded title to, custody of, or possession of, the property;

(2) it has evidence reasonably to believe that such property currently is held or possessed by or in the name of Jean Claude Duvalier or other individuals associated with the Duvalier regime, or a taker from Jean Claude Duvalier or his associates;

(3) it has petitioned the court to attach or otherwise restrain the property and has reason to believe that the court would grant such petition were the Government of Haiti to post adequate bond; and

(4) it is unable, without outside assistance, to post the necessary security because of lack of assets;

(b) The Department of Treasury gives notice to the holder of the property that such property falls within the scope of this Order and, in consultation with the Departments of State and Justice, has not determined that an insufficient basis exists for the certification by the Government of Haiti; and

(c) The court which the Government of Haiti has petitioned to attach or otherwise restrain the property has not denied such petition on grounds other than the failure of the Government of Haiti to post adequate bond.

Sec. 3. Upon the entry of final judgment and after exhaustion of any appeals that might be taken, as well as satisfaction of any judgment, in any action in which the property described in Section 2 was sought, the property shall no longer be subject to the prohibition contained in Section 1 of this Order.

Mar. 18 / Administration of Ronald Reagan, 1987

Sec. 4. The Secretary of the Treasury, in consultation with the Secretary of State, is hereby authorized to take such actions, including the promulgation of rules and regulations, as may be necessary to carry out the purposes of this Order.

Sec. 5. This Order is not intended to create any right or benefit, substantive or procedural, enforceable at law by a party against the United States, its agencies, its

officers, or any person.

Sec. 6. This Order is effective immediately.

RONALD REAGAN

The White House,
March 18, 1987.

[Filed with the Office of the Federal Register, 4:56 p.m., March 18, 1987]

Executive Order 12589—Transfer of Annual and Sick Leave of Federal Employees

March 18, 1987

By the authority vested in me as President by the Constitution and laws of the United States of America, including Title VII, Section 701(d) of the Act making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1987, and for other purposes, as contained in Section 101(m) of Public Laws 99-500 and 99-591, and Section 301 of Title 3 of the United States Code, it is hereby ordered as follows:

Section 1. The Director of the Office of Personnel Management is hereby delegated authority to prepare and submit to the Congress a report concerning the desirability, feasibility, and cost, if any, of permitting Federal employees voluntarily to donate annual and sick leave for the use of other

Federal employees who need such leave for medical or family emergency or other hardship situations.

Sec. 2. The authority of the President to prescribe regulations under Section 701(d)(1) of Public Law 99-500 and Section 701(d)(1) of Public Law 99-591, governing a temporary program for the transfer of unused accrued leave in not more than three cases, is hereby delegated to the Director of the Office of Personnel Management.

RONALD REAGAN

The White House,
March 18, 1987.

[Filed with the Office of the Federal Register, 4:57 p.m., March 18, 1987]

Letter to Congressional Committee Chairmen on Foreign Espionage in the United States

March 18, 1987

Dear Mr. Chairman:

In accordance with the provisions of Public Law 99-661, Section 1364, the Department of State, in close coordination with the Department of Defense, the Central Intelligence Agency and the Federal Bureau of Investigation, has prepared a

report for me on Foreign Espionage in the United States.

Attached you will find the unclassified version of the report. The classified version, which sets forth recommendations which we believe will assist the U.S. counterintelligence community to curtail espionage

against the United States, will be forwarded separately by my Assistant for National Security Affairs.

As you will recall, the Administration, in concert with the Congress, undertook a comprehensive review of our counterintelligence, security and countermeasures plans, programs and capabilities. The results of this review were detailed in my report to Congress on November 14, 1986. That study sets forth, in far more detail than this report, policies and programs which I have directed be established and/or improved to deal with the hostile intelligence threat to the national security of the United States. We are continuing to work very hard to put in place these recommended changes. Clearly, sufficient funding to implement fully counterintelligence, security and countermeasures improvements remains a limit-

ing factor.

While we cannot ensure espionage can be completely curtailed, I am pleased that the Administration and Congress together are making significant progress to deal with this problem, and it remains a matter of high national priority.

Sincerely,

RONALD REAGAN

Note: Identical letters were sent to David L. Boren, chairman of the Senate Select Committee on Intelligence; Claiborne Pell, chairman of the Senate Committee on Foreign Relations; Louis Stokes, chairman of the House Permanent Select Committee on Intelligence; and Dante B. Fascell, chairman of the House Committee on Foreign Affairs.

Nomination of Bonnie Guiton To Be an Assistant Secretary of Education

March 18, 1987

The President today announced his intention to nominate Bonnie Guiton to be Assistant Secretary for Vocational and Adult Education, Department of Education. She would succeed Robert Melvin Worthington.

Since December 1984, she has served as a Commissioner of the Postal Rate Commission. Previously, she was vice president and general manager, Kaiser Center, in Oak-

land, CA, 1980-1984; and active in both civic and community projects in Oakland.

She graduated from Mills College (B.S., 1974), the California State University (M.S., 1975), and the University of California, Berkeley (Ed.D., 1985). Ms. Guiton has one child and resides in Falls Church, VA. She was born October 30, 1941, in Springfield, IL.

Announcement of Proposed Legislation on High Technology Export Controls

March 18, 1987

The White House today sent to the Congress a series of proposed steps to streamline the Government's export control procedures for high technology items. These proposals are part of the President's energetic program to enhance America's competitiveness in the world economy. This nation's ability to export its high technology prod-

ucts and services is central to our ability to compete. At the same time, we remain mindful of aggressive Soviet efforts to acquire Western technology. Soviet successes in this area have contributed directly to Soviet military capability and have cost the American taxpayer dearly as the United States seeks to maintain its technological

lead.

The proposals submitted today will simplify export procedures and eliminate administrative burdens on U.S. exporters. They include the exemption from license requirements of a number of low technology items, which should reduce the total number of export license applications by almost 10 percent. The proposals will also eliminate the need for reexport authorization to coordinating committee for multilateral export controls (COCOM) countries and will put in place a certified end-user

program whereby COCOM country government-related enterprises will not need validated export licenses. Another proposal will allow foreign manufacturers to reexport U.S. parts and components up to a certain level without U.S. Government reexport authorization.

The administration looks forward to working with the Congress in the export control system in a way that meets the needs of American exporters and protects our fundamental national security interests.

Statement on Michael K. Deaver March 18, 1987

Mike Deaver has been our friend for 20 years. Nancy and I will keep him and his family in our thoughts during these difficult times. We wish him well.

Note: Michael K. Deaver, former Assistant to the President and Deputy Chief of Staff, had been indicted on five counts of perjury by a Federal grand jury.

The President's News Conference March 19, 1987

Federal Budget

The President. I have a little statement here. I know that you have other questions on your mind, but there is an issue that I feel is also important to address this evening. So, I'll just go with this. For the last 6 years we've fought the good fight to get government spending under control, and it hasn't been easy. And as we've begun to rein in Federal spending, we've been able to bring taxes down and subdue the monster of inflation. Our combined program of tax cuts, deregulation, and spending cuts is working—in fact, is working miracles.

But now, even before Congress has drawn up their budget, some there are saying that they want to back away from our commitment to Gramm-Rudman-Hollings. Some are even saying they want to raise taxes again on the American people. Well, I'm sorry, but that just isn't going to

happen. The American people worked long and hard to cut tax rates and win tax reform, and my pledge to veto any tax rate increase remains rock-solid. It's time Congress cut the Federal budget and left the family budget alone. We would not have to fight this battle all year, every year, if the congressional budget process were not so desperately in need of reform. The budget process at the Federal level is unworkable, and this yearly deficit-feeding process must stop. We must act now to pass a constitutional amendment to balance the budget. In the meantime, our elected representatives cannot break their promise to the American people and back away from the commitment to the deficit reduction goals of Gramm-Rudman-Hollings.

Now, before we get started, let me also add that after our last press conference I felt it was important for the Tower commission to complete its work and report its

findings. And that has now happened. I have accepted their recommendations, and many are in the process of being implemented.

And that's the end of the statement. And Terry [Terence Hunt, Associated Press]?

American Hostages in Lebanon

Q. Sir, Terry Anderson was taken captive in Lebanon 2 years and 4 days ago, and today there are 8 Americans held hostage there. How has the Iran-*contra* affair complicated your efforts to win the release of the hostages?

The President. Well, that's rather hard to tell right now. Indeed, the affair did get some hostages released, and if it hadn't leaked, I don't know—whether the word of what we were doing there—I don't know whether we would have gotten more out. As the day that the information leaked and everything when public, it was my understanding that the other two were due out in the next few days. But we're going to continue to explore, as we always have, every opportunity to try and get them out. I happen to believe that when an American citizen anywhere in the world is unjustly denied their constitutional rights to life, liberty, and the pursuit of happiness, it is the responsibility of this government to restore those rights.

Q. Sir, if I may, former President Carter will be in Syria this weekend. Is he carrying a message from you about the hostages?

The President. No.

Q. Is he making any effort in that regard as far as you know?

The President. I don't know. I wouldn't be surprised if he was, and I'd be grateful if he did. Helen [Helen Thomas, United Press International]?

Iran Arms and Contra Aid Controversy

Q. Mr. President, there have been reports that you were told, directly or indirectly, at least twice, that the *contras* were benefiting from the Iran arms sales. Is that true, or were you deceived and lied to by Admiral Poindexter and Colonel North? And I'd like to follow up.

The President. Helen, let me just say, no, that is not true at all. When I went on the air right after the news broke and told what

we had been doing and what our policy was in getting into this affair, I did not know at that time that there was any money involved. I only knew that we had received our \$12 million for the weapons which we had agreed to sell. Then, a little later, when the Attorney General told me that he had come upon something that indicated that there was something to do with money in Swiss bank accounts—and I couldn't imagine what it could be because, as I say, we got our money—but I said that I thought we ought to go public with that, again, so that you had all the information that we had and not to wait and have someone uncover this and think we were trying to cover up or something. So, that was late on Monday afternoon. Tuesday morning, the first thing, we went before the joint leadership of the Congress and told them what we'd learned, that all we'd learned was that there was evidently some money having to do with this whole arrangement over there and involving some Swiss bank accounts. And then I came into the press room to all of you and told you.

Q. Mr. President, is it possible that two military officers who are trained to obey orders grabbed power, made major foreign policy moves, didn't tell you when you were briefed every day on intelligence? Or did they think they were doing your bidding?

The President. Helen, I don't know. I only know that that's why I have said repeatedly that I want to find out. I want to get to the bottom of this and find out all that has happened. And so far, I've told you all that I know. And, you know, the truth of the matter is, for quite some long time, all that you knew was what I'd told you. Sam [Sam Donaldson, ABC News]?

Q. Sir, Robert McFarlane, who was then your national security adviser, says that in August of 1985, he called you on the telephone and asked if you wanted to give the green light to Israel to send arms to Iran and have them replenished from U.S. stocks, and that you said you did. And he said that he reminded you in that conversation that your Secretaries of State and Defense were against it, and you said you understood that, but you explained to him the

reasons why you wanted to authorize it. Do you have no memory of that, whatsoever?

The President. Sam, all I know is that my memory didn't fail me on the fact that I had agreed to this thing. The only thing I could not recall was at what point was I asked. And as a result of that and not being able to recall when I gave this permission, we now have quite a system installed of people taking notes in all our meetings and all our doings.

Q. Mr. President, if you don't recall, when Reverend Weir was released in mid-September of that year, why did you think they had released him if you couldn't recall that you had authorized Israel to do that?

The President. Oh, no, no, as I say, I can't remember just when, in all the calls and meetings and so forth, this was presented and when I gave the go-ahead. But this was a thing in which the Israelis were willing to sell weaponry—mainly TOW missiles—and wanted to know, if they did, if we would agree to sell them replacements when and if they needed it.

Q. A shipment only went the day before he was released, sir.

The President. I know that I agreed to that. And there are other people that don't remember either, who were present at meetings. One of them was Bud [McFarlane]. And what his memory was—I don't think it was a phone call. He has described it as a visit to the hospital where I was after surgery. But others who were there present—they didn't remember that conversation. But I know that it must have come up, and I must have verbally given the okay. Bill [Bill Plante, CBS News]?

Q. Mr. President, you said that in your heart you still believe that it wasn't an arms-for-hostage deal, but that the weight of the evidence presented by the Tower commission convinced you that it was. In your heart, do you now believe that it was an arms-for-hostages deal from the beginning, as the Tower commission said, and that the policy was flawed?

The President. But it could be that the policy was flawed in that it did deteriorate into what I myself, when I went on the air recently, said was arms for hostages. But let me just as briefly as I can take you through the steps which I did from the very begin-

ning. We had, by way of Israel, a report that there were responsible people, some from the Government of Iran, but not necessarily in the inner circle with Khomeini, who wanted to see if they could not open a dialog with representatives from the United States that would lead to a better understanding—and I'm sure that they had in mind a future Government of Iran—that we could have the kind of relationship that we'd had once earlier. I thought—because our policy had always been based on trying to restore a relationship with a country that is very important strategically, and also behind the scenes to try and get an end to that war, an end with no victor, no vanquished, both countries retiring to their own boundaries and so forth. So, I wasn't going to miss that opportunity, and I approved our going ahead.

One of the first things brought up in the meeting with those who were representing us was that these people said that they, for two reasons, needed something like—and they mentioned the arms sales. It came from them, not us. They said, one, for their own prestige, it would give them a standing with the people that they would have to be dealing with in the future, including the military leaders. And at the same time, it would assure them that the people they were dealing with did have access to our government at the highest levels and they could trust them to deal. And so, our answer to that was that we had a policy of not doing business with a country that supported terrorism and Iran was on that list. Well, they made quite a pitch that they, too, were opposed to terrorism and that they had even done some things counter to terrorism, terrorist activities, and so forth. Well, our reply to them was there is a very practical way in which you can prove that, and that is use your influence to get the hostages out. Now, I have never believed, and I don't believe now, that Iran can give orders to the Hizballah [radical Shi'ite group in Lebanon] but there is a philosophical relationship there that we thought they might be able to be persuasive. And they've indicated that that was true.

Now, with no further information than that until I read the Tower commission

report, after appointing the Tower commission to get to the bottom of this thing and see what was going on, then I found that the strategy talks had disappeared completely, and led by the Iranians, the conversation was totally arms-for-hostages. So, I don't see where I could say now that isn't what it degenerated into.

Q. Mr. President, they faulted you in the Tower commission report for caring too much about the hostages. If you had it to do all over again, sir, would you do it again?

The President. No, I would not go down that same road again. I will keep my eyes open for any opportunity again for improving relations. And we will continue to explore every legitimate means of getting our hostages back for the reason that I explained earlier.

Acid Rain

Q. Mr. President, Iran and Nicaragua are important up our way in Buffalo, but more important is Canada. Because we're right there on the border, and the number one irritant in U.S.-Canadian relations is acid rain. Now, you're going up there next month, and yesterday you announced a \$2½ billion, 5-year program. But many Canadians and environmental groups in this country feel you haven't gone far enough. They feel that the U.S. Government should set standards for these emissions that cause acid rain. Is your administration giving any consideration to the establishment of standards?

The President. Yes, let me say that we've not just been sitting here holding back or anything. We have that joint commission with them to get at this problem. We have found out that the further we've gone the more complex the issue of the source of acid rain becomes. And so what we've been trying to do is avoid going down some avenue that would disappoint us. And we wouldn't really solve the problem, but we would've wasted our resources. We've made some progress in learning things that can be done, and we were ready to make this move. There are others probably yet to come. We're still investigating this.

Q. Well, sir, another point they bring up is that the Environmental Protection Agency isn't sufficiently involved in your

new initiative. Do you plan to bring them into it in full force?

The President. Everybody will be brought into this thing as to find out how we can solve it. But at the moment, too, we're dealing with the private sector, with the industries and so forth that would be involved in this.

Chris [Chris Wallace, NBC News]? I better change sides here a little bit. I've been looking to the left all evening.

Iran Arms and Contra Aid Controversy

Q. Mr. President, thank you. At your last news conference 4 months ago, you said that the U.S. had nothing to do with Israeli arms shipments to Iran when you knew that that was not true. Why did you say that?

The President. Chris, I'm glad you asked that, because I've read at great length references to that and heard them on the air. I'm glad to explain. When I left here after that press conference and went back there, and our people were waiting back there and had been watching on the monitor what was going on, they told me what I had said. And it was evidently just a misstatement on my part. I did not know that I had said it in such a way as to seemingly deny Israel's participation. And when they told me this, and when I finished bumping my head, I said to them, "Quick, write down a correction of this." I didn't realize that in there maybe I'd talked too long. I said: "I didn't realize that I had said that or given that impression. We've got to get this message to all of you before you went to work on your stories." So, it was just a misstatement that I didn't realize that I had made.

Q. But the fact is that you were asked it four times in that news conference, and you made this inadvertent statement four times. You were specifically asked about Israel's role. And during that early period, it now turns out that there were a series of statements you made that were misleading. One of the first statements was you said that the whole story that came out of the Mideast was without foundation.

The President. No, that wasn't at the press conference. That was on November 6th, when you were shouting questions at me. And at that—

Q. Well—[inaudible].

The President. Well, right. But then, what I was trying to do—and I think some of you will recall this—I was trying to plead with all of you, hoping that this leak that came from that weekly paper in Beirut could be corralled, because I wanted to explain that we didn't know but what the lives of the people we'd been dealing with would be endangered, and certainly our hostages could be in danger. And so this was all I was trying to say, and I remember saying, "Please, stop speculating, and stop asking questions." I didn't know how far we could go before we could get someone killed. And when David Jacobsen came here and met with you in the Rose Garden, he repeated that without knowing that I had said it. He said the same thing, and quite passionately: that you could get some people killed if we kept on with that story.

Q. If I may ask my question, sir, do you feel an obligation always to tell the truth to the American people, or sometimes do you feel you may have to mislead, as in that case, saying it's without foundation for a higher diplomatic purpose?

The President. No, there are times in which I think you can't answer because of national security or other people's security. But no, I'm not going to tell falsehoods to the American people. I'll leave that to others. [Laughter]

Q. Mr. President, speaking to young people in your reelection campaign in '84, you referred to government as a sacred trust, and you said we're going to keep this trust. The Tower report says that some of your officials in your administration made untruthful statements, and you've acknowledged here that it became a trade of arms for hostages. Do you feel that you've kept your promise that you made in that campaign to the young people and that your government has?

The President. Yes, I do. And from the very first, I told you all everything I know about this situation. I am still waiting to find out the source of extra money, the bank accounts, and where that extra money went. And that's why I appointed the Tower commission to get to the bottom of this and a special prosecutor. You see, I'm old-fashioned; I call these independent

counsels—I still call them special prosecutors.

Q. If I could follow, sir: Are you distressed that even your own polls show that a majority of American people, including many who voted for you, believe that you're not telling the full truth on the Iran-*contra* affair?

The President. Well, in view of what they've been reading and hearing for all these several months, I can understand why they might think that.

Q. Mr. President, in view of what you told the Tower board and what they concluded—that you had difficulty recalling the decision and the timing of the decision to send the arms to Iran—is it at all conceivable that you may also have forgotten being told about the diversion of funds to the *contras*?

The President. Oh, no. You would have heard me without opening the door to the office if I had been told that at any time. No. And I still do not have the answer to that money. The only thing that I can see is that somebody in the interplay of transporting the weapons must have put an additional price on them. We asked for \$12 million, which was the cost—no profit on those weapons—and we got our \$12 million back. And it was a complete surprise to me to discover that there was any additional money. And this, I think, is the thing—we're still waiting for that to be explained.

Q. If I could follow in a related element, then, Mr. North is quoted in the Tower report in a memo he wrote as saying: "The President obviously knows why; he has been meeting with select people to thank them for their support for democracy in Central America." Were you aware that such meetings that you attended were being used to solicit funds from private citizens in the U.S. for Central America for the *contras*?

The President. I knew that there were many people privately giving money to things of that kind, in the country here, but the people I met with—and I subsequently found out that some of them were doing this. But when I met with them, I met with them to thank them because they had raised money to put spot ads on television

in favor of the *contras* in an effort to try and influence Congress to continue giving aid. And I thought that was worth a thanks. I've gone to the public many times since I've been here to get the public to help put the pressure on the Congress for us to get some worthwhile cause.

ABM Treaty

Q. Mr. President, you said that Senator Sam Nunn is wrong in arguing that the record does not support a broad interpretation of the antiballistic missile treaty. Why is he wrong?

The President. Well, you know, I thought somebody might ask about that, and I just brought something in here with me. Marshal Grechko, Soviet Minister of Defense in 1972, proclaimed about the ABM treaty: "It imposes no limitations on the performance, the research, and experimental work aimed at resolving the problem of defending the country against nuclear missile attack." Now, when some time ago we realized that there was this belief that the ABM treaty had an interpretation that could be more liberal than we had been using, it still didn't change anything with SDI because there was no need for us to go beyond what we were doing. But as we progressed and developed SDI, we realized we were coming to a time in which that narrow interpretation of the ABM treaty could interfere with and set us back in what we were trying to accomplish. And this is when we took a look at this broader interpretation. And I know that Mr. Sofaer over in the State Department is looking into this, and he believes that there is legally a more liberal interpretation. Now, we're a nation of laws; we want to stay within the law. But at the same time, we believe that the Soviet Union has been going even beyond a liberal interpretation of the treaty. They've been going beyond the treaty in some of the things they are doing.

Q. You arrived at this broad interpretation quite a while ago. How soon do you intend to implement it? How soon do you believe you are going to be slowing down the Strategic Defense Initiative?

The President. Actually, we haven't made a decision, because we're still operating within the narrow limits and have no

reason to go outside them as yet, and it'll be some time before we do. But we're all of us studying this, and we haven't arrived at a decision or to—set a date yet.

Iran Arms and Contra Aid Controversy

Q. Mr. President, to follow up Bill's question, the Tower report said that the arms deal with Iran should never have been made in the first place. You have said that you accept the Tower commission report.

The President. Yes.

Q. And yet your friends say that in private you still have a deep feeling that you do not feel it was wrong to sell arms in the beginning. I want to know, Mr. President, in your heart do you feel that you were right or were you wrong in selling arms to Iran?

The President. We had quite a debate, and it was true that two of our Cabinet members were very much on the other side. And it turned out they were right, because, as I say, it did deteriorate into that. But what my position was, and still is, you are faced with some kidnapers; they have kidnaped some of our citizens. Now, you cannot do business with them. There's no way that you can discuss ransom or do them any favor which makes taking hostages profitable. But suddenly an opportunity to get into a conversation with a third party, and you find that that third party maybe can do something you can't do, that they can have an influence on these people over here, these kidnapers, and get your people free. I did not see that as trading anything with the kidnapers. They didn't get any advantage out of this; they didn't show any profit on what was going on. And the place where I was wrong was in not realizing that once that pressure was put on from the other side—and it did stem from the Iranian representatives—they saw an opportunity, they thought, to start bargaining for more weapons than that more or less token amount that we had agreed to sell, and to put the price at varying numbers of hostages. So, I still believe that if someone in my family was kidnaped and I went out and hired someone that I thought could get that person safely home, that would not be engaging in ransom of the

victim.

Q. If I could follow up, Mr. President, you're still arguing that somehow this event deteriorated; it went awry as it went along. I want to know whether you think it was wrong or right in the beginning.

The President. Well, if I hadn't thought it was right in the beginning, we never would have started that. It was an opportunity presented by people evidently of some substance in the Iranian Government to open up a channel to probably better relations between our two countries, maybe even leading to more influence in getting this terrible war ended there in the Middle East. And they, themselves—when we entered into this, there wasn't any thought of hostages in this particular thing; they'd never been mentioned. It was only when they put in this request, as I've explained, for arms and we had to explain that we didn't do business with people that supported terrorism, that they offered to prove that they weren't supportive of terrorism, either. And this is how we weren't going to overlook an opportunity if we could get those hostages back. And we're not going to overlook an opportunity in the future. But we're not going to try the same thing again, because we see how it worked.

Q. Mr. President, setting aside what the Iran initiative turned into, as you were setting the policy in motion, did you give consideration to how our Arab friends in the region would think about the United States sending arms to their mortal enemy?

The President. I think we have a very good relationship—better than we've had in many, many decades—with the countries in the Middle East, and I think that we have proven our friendship for them to the place that they could understand what we are doing. But I also think it ought to be noted that countries in the Middle East, countries in Europe, countries in Asia, and the Communist bloc have been selling arms to both sides in this war for the last few years, and they've been selling about almost four times as much to Iraq as they have to Iran. And the biggest amount of sales is coming from the Communist bloc to both countries. So, what I was sure of was that we were not affecting military balance between the two countries with the small amount that we

were going to sell.

Q. If I may follow up, sir: You've said that Defense Secretary Weinberger and Secretary Shultz opposed the policy, that you weighed their views and decided to go ahead anyway. Given all the other concerns that you have to deal with as President, how much thought did you give to this policy? Was it a casual thing, or did you give it quite an extensive going over before you embraced the policy?

The President. The only thing I've done casually since I've been here in these 6 years is hold a press conference. [*Laughter*] Trude [Trude Feldman, Trans-Features]?

U.S. Oil Production

Q. Mr. President, in view of Secretary [of Energy] Herrington's energy security study that he completed this week, how can we deal with our over reliance on insecure foreign oil?

The President. This is a problem that we are studying, and I'm expecting some reports momentarily on this. We have to study this. This is why we increased the strategic reserve since we've been here. But we have to do more than that. And I have also asked Congress already for some acts that I think would improve the situation here domestically. It involves elimination of the windfall profits tax; it involves the deregulation of natural gas, some other things that we've already asked Congress for. So far, we haven't gotten them as yet.

Q. What concerns you most about the decreasing U.S. oil production and the finding that it could threaten national security, based on that report?

The President. Well, it certainly would be if we were ever faced with a crisis. And what has happened to us is that here, in our standard of living and all, they can't find and produce oil for the price that it has gone back down to. It was only the high price that could keep them in business.

I remembered I promised you I'd call on you.

Q. Thank you, Mr. President, I'm afraid I've caught your laryngitis.

The President. Well, imitation is the sincerest form of flattery. [*Laughter*]

Iran Arms and Contra Aid Controversy

Q. Long before the diversion of funds to the *contras*, the Tower board has documented 2 years of an extensive U.S. military support for the *contras* at a time when Congress ruled that to be illegal—air strips, phony corporations, tax-exempt foundations—all directed by Oliver North and John Poindexter and, before them, Robert McFarlane, out of the White House. And the question is, how could all this be taking place—millions and millions of dollars—without you having known about it, especially at a time when you were calling the *contras* the moral equivalent of our Founding Fathers?

The President. Andrea [Andrea Mitchell, NBC News], I don't believe—I was aware that there are private groups and private individuals in this country—I don't believe it was counter to our law that these people were voluntarily offering help, just as we've seen in the past. We had a thing called the Abraham Lincoln Brigade in Spain in the civil war there. And I don't know how much that would amount to. I don't know whether it's enough to keep them in business or not. But I do know that it is absolutely vital that we not back away from this. We've had some experiences in our country where the Congress has turned on a President. Angola was the most recent example, perhaps—when in Angola, when it ceased being a colony and the civil war broke out there and there was a Communist faction and there was a group that wanted democracy. And an American President asked Congress just for money—no blood, just money to help the democratic people of Angola have a democratic government. They don't have a democratic government; they have a Communist government now, and there are 37,000 Cuban soldiers fighting their battle.

Q. But, sir, if you were truly unaware of the millions of dollars in government money and government operations that North and Poindexter were directing to the *contras*, what does this—respectfully, what does this say about your management style? You have said in your speech that your management style in the *contra*-Iran affair did not match your previous track record.

The Tower board criticized your management style. If you were unaware of these things and forgot when you actually approved the Iranian arms sale, what does it say about the way you've been managing the Presidency?

The President. Andrea, I've been reading a great deal about my management style. I think that most people in business will agree that it is a proper management style. You get the best people you can to do a job; then you don't hang over their shoulder criticizing everything they do or picking at them on how they're doing it. You set the policy—and I set the policy in this administration—and they are then to implement it. And the only time you move is if the evidence is incontrovertible that they are not following policy or they have gone down a road in which they're not achieving what we want. And I think that that is a good management policy.

Q. Would you—[inaudible]?

The President. I'm not going to comment now, because all that you've mentioned are involved in investigations. And I, more than anyone, want these investigations to proceed so that I know, and will know, what has been going on that had been kept from me in various covert operations.

Q. Thank you.

Q. Mr. President, you didn't answer the question on North or Poindexter. Did they deceive you? You didn't answer whether Poindexter and North deceived you.

The President. They just didn't tell me what was going on—

Q. Did Don Regan deceive you?

Q. Did they lie to you?

Q. Did Don Regan pressure you, sir, to change your testimony?

Q. When are you going to come back and see us again, sir? When are you going to come back—

Q. How soon?

Q. Let's have another press conference.

Q. Let's do it again.

Q. How about another half hour?

Q. Did the Vice President object to this plan in Iran, Mr. President? You said that—

Q. Would you come back and talk to us?

Q. —Shultz and Weinberger didn't. Did

the Vice President?

The President. No.

Q. He didn't object to it? Thank you, sir.

Note: The President's 40th news conference began at 8 p.m. in the East Room at the White House. It was broadcast live on nationwide radio and television.

Statement on the Surface Transportation and Uniform Relocation Assistance Act of 1987

March 20, 1987

As I said last evening at my press conference, our administration will keep its commitment to the American people. We will not raise taxes; we will hold down spending; and we will adhere to the deficit reduction goals imposed by the Gramm-Rudman-Hollings legislation. And it is with this commitment in mind that I have informed congressional leaders of my intention to veto the highway and transit bill that is on its way to my desk.

Let me be very clear: I am in full support of reasonable funding levels for these pro-

grams, similar to the legislation passed by the Senate. But I am adamantly opposed to the excessive spending that is in the bill as it emerged from the conference committee. I've said before and repeat today: Congress can't have it both ways. They cannot talk about cutting unnecessary deficit spending and then vote in favor of bills that bust the budget. The American people clearly expect their elected leaders to vote the same way they talk. So, my vote will be to veto bills that spend unnecessary billions on projects the American people cannot afford.

Remarks on Signing the Afghanistan Day Proclamation

March 20, 1987

The President. Well, I think I have a duty here. Incidentally, I want you to know how wonderful it is to have all of you here. We're very honored to have you here with us for this particular occasion. You know, sometimes my friends in the Congress and I have differences on certain subjects, but I think here, on this particular one, I assure you, that we will continue our joint efforts in support of the freedom fighters efforts to win back your country's freedom. Free people everywhere agree that there can be no compromise on the goal of Afghan independence, and that means the total withdrawal of all Soviet forces and the full self-determination of the Afghan people. No other settlement will end that war.

And now I think I'd better get to signing this proclamation, make sure I have everything here—yes. There.

Reporter. Mr. President, what about Presi-

dent Carter's criticism of your Middle East policy? [*Laughter*]

The President. I didn't hear that. [*Laughter*]

Mr. Mayar. I have something for you.

The President. Thank you. Thank you very much.

Mr. Mayar. And God bless you. And God bless you. Thank you very much.

Q. Mr. President, are you satisfied with the advice you've been getting from the Vice President? [*Laughter*]

The President. Always have been.

Q. Should Carter shut up? [*Laughter*]

The President. I have to go back to work now. But again, thank you all for being, here and thank all of you.

Mr. Mayar. Thank you very much.

Q. What about Carter, Mr. President? Is he trashing you abroad?

Senator Humphrey. Don't you guys know

that a million people have died in Afghanistan? Why don't you ask some important questions?

Mr. Mayar. That's right. Thank you, Mr. Humphrey, for your support.

Note: The President spoke at 11:34 a.m. in the Roosevelt Room at the White House. Among those present at the ceremony were Habibullah Mayar, chairman of the Afghan Community in America, and Senator Gordon J. Humphrey of New Hampshire.

Proclamation 5621—Afghanistan Day, 1987

March 20, 1987

*By the President of the United States
of America*

A Proclamation

The people of Afghanistan traditionally celebrate March 21 as the start of their new year. For the friends of the Afghan people, the date has another meaning: it is an occasion to reaffirm publicly our long-standing support of the Afghan struggle for freedom. That struggle seized the attention of the world in December 1979 when a massive Soviet force invaded, murdered one Marxist ruler, installed another, and attempted to crush a widespread resistance movement.

Despite a 7-year reign of terror by over 115,000 Soviet troops, the Soviet attempt to subjugate the Afghans has failed. The puppet Kabul regime remains weak and illegitimate. The resistance movement has fought the Soviet army to a standstill. And the Afghan people, whose support for the resistance is overwhelming, have continued to show an indomitable will to be free.

During the past year, the Afghan people have advanced their cause in a variety of ways. On the political front, the resistance Alliance has grown more cohesive and more effective. One major step in this direction occurred January 17, when the seven Alliance leaders put forward their own comprehensive plan for a free Afghanistan. The Alliance has also become the focal point for the distribution of social services and humanitarian resources inside the country, thereby helping to stem the outflow of refugees and laying the basis for reestablishing a free Afghanistan.

On the battlefield, the resistance has demonstrated growing strength. Notable achievements include an increased ability

to counter communist air power, the renewal of heavy military pressure on Kabul, the resurgence of resistance activity in the north, and the defeat of communist efforts to consolidate control over Kandahar and Herat, Afghanistan's second and third largest cities.

The success of the resistance may well have prompted the Soviets to demonstrate a new interest in the political side of the conflict. While we welcome statements that the Soviets wish to bring about a political settlement and to withdraw their troops, we shall continue to gauge their intentions by the only accurate measurement—their actions.

Thus far, Soviet proposals have lacked realism and substance. They appear to be aimed at deceiving world opinion rather than at seeking peace and self-determination. A cease-fire without reference to the withdrawal of Soviet troops is meaningless. National reconciliation with a communist-dominated government as its starting point and its foreordained result is a sham that the resistance, the refugees, and the people of Afghanistan will never accept.

Acts of war by the Soviet Union and its Afghan allies totally belie conciliatory intentions. As peace talks began in Geneva last month, communist aircraft swept into Pakistani territory three times in as many days and bombed refugee camps and crowded bazaars, killing over 100 people and wounding 250. Around the same time, terror bombings inside Pakistan—notably a February 19 blast outside an Afghan refugee office and a nearby school—also started to increase. These acts represent a crude attempt to dispirit the resistance and to in-

timidate Pakistan into abandoning its courageous and principled support of the Afghan people. Such attempts have not worked before and will not work now.

Negotiations to bring this war to an end have been taking place in Geneva for over 5 years. We support them. The U.N. negotiator has announced that a timetable for the withdrawal of Soviet troops is the sole remaining obstacle to a settlement. On this matter, we endorse Pakistan's statements that such a timetable must be based solely on logistical criteria and be expressed in terms of months, a very few months, not years.

By presenting unrealistic timetables apparently designed to crush the resistance and achieve a military solution before the Red Army withdraws, the onus for continued fighting falls on the Soviets and their Afghan puppets. The U.N.-sponsored talks are currently suspended. Meanwhile, the Pakistanis have held firm on the key requisites, including Afghan self-determination. As a result there are some faint indications that the Soviets may have begun to understand the need for a realistic political solution.

In these circumstances, it is important to maintain steadily increasing pressure on the Soviets. It is essential that we and others continue to support Pakistan in the face of increasing cross-border attacks and sabotage

attempts. Most important, it is essential that we and others continue our support of the brave struggle by the Afghan resistance. We must not let up until all Soviet troops depart and the Afghan people are free to determine their own future. Nothing less will suffice. I am proud of the strong support provided over the past 6 years by my Administration, by the Congress, and by the American people. I am confident we shall continue to stand firm and not falter.

The Congress, by Senate Joint Resolution 63, has authorized and requested the President to issue a proclamation designating March 21, 1987, as "Afghanistan Day."

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim March 21, 1987, as Afghanistan Day, and I urge the American people to participate in appropriate observances to reflect our support of the Afghan struggle for freedom.

In Witness Whereof, I have hereunto set my hand this 20th day of March, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:10 a.m., March 23, 1987]

Nomination of Sol Polansky To Be United States Ambassador to Bulgaria

March 20, 1987

The President today announced his intention to nominate Sol Polansky, of Maryland, a career member of the Senior Foreign Service, Class of Minister-Counselor, as Ambassador to the People's Republic of Bulgaria. He succeeds Melvyn Levitsky.

Mr. Polansky was employed by the Department of State in 1952 as a translator at the U.S. Embassy in Moscow, later serving as an assistant agricultural attaché until 1955. He returned to Washington as a research analyst and joined the Foreign Serv-

ice in 1957. Mr. Polansky studied Polish at the Foreign Service Institute from 1958 to 1959 and was then assigned as deputy principal officer at the U.S. consulate in Poznan, Poland, where he served until 1962. He then served as multilateral affairs officer on the Soviet desk in the State Department until 1966, when he was assigned as chief of external affairs at the U.S. Embassy in Moscow. From 1971 to 1972, he was deputy chief of the Office of Cultural Presentations and then attended the National War Col-

lege, 1972–1973. From 1973 to 1976, Mr. Polansky was deputy director for exchanges on the Soviet desk and departed for East Berlin in 1976, where he served as deputy chief of mission until 1979. From there he served as deputy chief of mission at the U.S. Embassy in Vienna, Austria, until 1981, when he became Chargé d’Affaires ad interim. From 1983 to 1985, he was Vice Chairman of the strategic arms reduction talks delegation. In 1985 he served as Deputy Chairman to the U.S. delegation to the Conference on Security and Coopera-

tion in Europe (CSCE) Budapest Cultural Forum and Deputy Chairman of the U.S. delegation to the CSCE Bern human contacts experts meeting. Since September 1986 Mr. Polansky has been in Bulgarian language training.

He graduated from the University of California at Berkeley (B.A., 1950) and attended Columbia University, 1950–1952. Mr. Polansky is married, has one child, and resides in Bethesda, MD. He was born November 7, 1926, in Newark, NJ.

Nomination of John Shad To Be United States Ambassador to the Netherlands

March 20, 1987

The President today announced his intention to nominate John Shad, of the District of Columbia, as Ambassador of the United States of America to the Kingdom of the Netherlands. He succeeds L. Paul Bremer III.

Since 1981 Mr. Shad has been Chairman of the Securities and Exchange Commission in Washington, DC. He began his career in 1949 as a securities analyst with Arnold Bernhard & Co., New York City. From 1950 to 1953, he was an institutional account executive with Shields and Co., New York City. Mr. Shad then became an assistant to Norbert McKenna, Reynolds & Co., New York, 1953–1955, and then joined Textron, Inc., in New York, in corporate acqui-

sitions. From 1957 to 1959, he was an associate with Shearson Hamill & Co. and became a partner, 1960–1962. From 1963 to 1967, Mr. Shad was vice president of E.F. Hutton & Co., New York City; 1968–1969, senior vice president; 1969–1970, executive vice president; and 1970–1981, vice chairman.

Mr. Shad graduated from the University of Southern California (B.S., 1947), Harvard Business School (M.B.A., 1949), and from New York University Law School (LL.B., 1959). Mr. Shad is married, has two children, and resides in Washington, DC. He was born June 27, 1923, in Brigham City, UT.

Nomination of LeGree S. Daniels To Be an Assistant Secretary of Education

March 20, 1987

The President today announced his intention to nominate LeGree S. Daniels to be Assistant Secretary for Civil Rights, Department of Education. She would succeed Harry M. Singleton.

Since 1986 Mrs. Daniels has been deputy secretary of the Commonwealth of Pennsyl-

vania. Previously, she was commissioner of elections in the Commonwealth of Pennsylvania, April–October 1986; appointed to the Pennsylvania Tax Equalization Board, 1981–1986; with the member services division, domestic travel department, AAA Central Pennsylvania Auto Club, 1976–

1982; and staff assistant, Harrisburg office of U.S. Senator Hugh Scott, 1974–1976.

She attended Temple University and Lincoln Business College of Philadelphia. Mrs.

Daniels is married and resides in Harrisburg, PA. She was born February 29, 1920, in Denmark, SC.

Nomination of Sherman M. Funk To Be Inspector General of the Department of State

March 20, 1987

The President today announced his intention to nominate Sherman M. Funk to be Inspector General, Department of State. This is a new position.

Mr. Funk has been Inspector General, Department of Commerce, since 1981. Previously he was Special Assistant to the Director, Office of Small and Disadvantaged Business Utilization, Department of Energy, 1980–1981. From 1970 to 1979, he served at the Department of Commerce, where he held various positions in what is now the

Minority Business Development Agency, including Deputy Assistant Director for Administration and Program Development and Assistant Director for Planning and Evaluation.

He graduated from Harvard University (A.B., 1951) and pursued graduate study at Columbia University and the University of Arizona. Mr. Funk is married, has five children, and resides in Chevy Chase, MD. He was born November 13, 1925, in New York City.

Nomination of James L. Usry To Be a Member of the National Advisory Council on Educational Research and Improvement

March 20, 1987

The President today announced his intention to nominate James L. Usry to be a member of the National Advisory Council on Educational Research and Improvement for a term expiring September 30, 1989. He would succeed J. Floyd Hall.

Since 1984 he has been the mayor of Atlantic City, NJ. Previously he was assistant superintendent of Atlantic City public schools, 1977–1984. From 1952 to 1977, Mr.

Usry held a number of positions in the Atlantic City school system. From 1946 to 1951, he was a professional basketball player with various professional teams, including the Harlem Globetrotters.

He graduated from Lincoln University (B.A., 1946) and Glassboro State (M.A., 1971). Mr. Usry is married and resides in Atlantic City. He was born February 2, 1922, in Athens, GA.

Nomination of Nancy Clark Reynolds To Be a Member of the National Museum Services Board

March 20, 1987

The President today announced his intention to nominate Nancy Clark Reynolds to be a member of the National Museum Services Board, National Foundation on the Arts and the Humanities, for a term expiring December 6, 1991. She would succeed Ann D. Haffner.

Since 1983 she has been president, Wexler, Reynolds, Harrison & Schule, Inc. Previously, Mrs. Reynolds was vice president and corporate officer, Bendix Corp.,

1977–1982; associate director, national affairs, Boise Cascade Corp., 1976–1977; account executive, Deaver and Hannaford, 1974–1976; special assistant to Governor Ronald Reagan, 1968–1974; and assistant press secretary to Governor Reagan, 1966–1968.

She graduated from Goucher College (B.A., 1949). Mrs. Reynolds has four children and resides in Arlington, VA.

Appointment of Two Members of the President's Committee on the National Medal of Science

March 20, 1987

The President today announced his intention to appoint the following individuals to be members of the President's Committee on the National Medal of Science for terms expiring December 31, 1989:

Sherwin T.S. Chan, of California. He would succeed Rene F. Rodriguez. Since December 1985 he has been an engineering specialist with Northrop Aircraft Co. Prior to this he was senior engineering scientist, IBM Corp., 1967–1985. He graduated from National Sun Yat-Sen University (B.S., 1946) and the University of Southern California (M.S., 1952). Mr. Chan

became a naturalized citizen in 1962. He was born August 19, 1922, in Hong Kong.

Roger D. Hartman, of Oklahoma. This is a reappointment. Since 1981 Mr. Hartman has been a professor of physics and radiology, and associate dean for research and grants administration at Oral Roberts School of Medicine. He has been a professor at Oral Roberts School of Medicine since 1971. He graduated from William Jewell College (A.B., 1958), the University of Arkansas (M.S., 1960), and Oklahoma State University (Ph.D., 1967). He is married, has one child, and resides in Tulsa, OK.

Proclamation 5622—National Energy Education Day, 1987

March 20, 1987

*By the President of the United States
of America*

A Proclamation

As we approach the 1990's, America must be prepared to formulate energy policy with boldness and vision. Virtually every sector of our highly complex, technological, and interdependent society requires a reli-

able energy source to keep it functioning smoothly and efficiently.

Community leaders and school officials, both public and private, can help ensure that we meet our energy needs by focusing public attention on the crucial role of education about energy issues. A deeper understanding by teachers, students, and all our leaders of tomorrow about the nature of the

energy challenges that lie before us is necessary if we are to continue to meet our energy requirements both at home and abroad.

America is already meeting its energy needs in many important ways. We are continuing to fill the Strategic Petroleum Reserve to reach an eventual goal of 750 million barrels. At the same time, we are also seeking to encourage nuclear power plant construction that is reliable, cost-effective, and environmentally sound. We have made much progress in energy—and by combining the technology of today with the promise and vision of American know-how tomorrow, America will continue to be in the forefront of energy production into the 21st century.

The Congress, by Senate Joint Resolution 19, has designated Friday, March 20, 1987, as “National Energy Education Day” and

authorized and requested the President to issue a proclamation in observance of this occasion.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim Friday, March 20, 1987, as National Energy Education Day, and I call upon the people of the United States to observe this day with appropriate programs and activities to promote energy education in America’s schools.

In Witness Whereof, I have hereunto set my hand this twentieth day of March, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:11 a.m., March 23, 1987]

Appointment of Two Members of the President’s National Security Telecommunications Advisory Committee *March 20, 1987*

The President today announced his intention to appoint the following individuals to be members of the President’s National Security Telecommunications Advisory Committee:

Bennet R. Miller, of Indiana. He would succeed James L. Johnson. Since 1983 he has been president, Tri-County Telephone Co., Inc., a company he has been with since 1959. He graduated from Purdue University (B.S., 1959).

Mr. Miller is married, has two children, and resides in New Richmond, IN.

James E. Olson, of New Jersey. He would succeed Charles L. Brown. Since 1985 Mr. Olson has been chairman and chief executive officer of AT&T. Prior to this he was executive vice president, AT&T, 1977–1985. He graduated from the University of North Dakota (B.Sc., 1950). Mr. Olson is married, has two children, and resides in Short Hills, NJ. He was born December 3, 1925, in Devils Lake, ND.

Radio Address to the Nation on Budget Reform *March 21, 1987*

My fellow Americans:

This weekend marks the beginning of spring. Already, here at Camp David, the crocuses are pushing up out of the ground. From now on, the days will be longer than the nights, the air will be getting warmer,

the grass greener, and soon the countryside will be in full bloom. There are all sorts of positive signs in our economy, too. Job creation hasn’t slowed a bit. Last month alone we created 337,000 jobs. Employment has reached record highs. Poverty is declining.

Tax rates are falling, and family income is rising.

Yes, indeed, spring is here, but there's one abiding problem that could plunge us right back into economic winter. That problem isn't in our economy. I'm afraid to say that problem is in the United States Congress, and it's called the budget process. The budget process is, indeed, a sorry spectacle: deadlines delayed or missed completely, huge continuing resolutions that camouflage the worst kind of special interest spending. Budget process? It's more like a magic show. It's wink and blink and smoke and mirrors and pulling rabbits out of hats, but almost all that ever comes up are designs to hide increases for the special interests.

Before I get into the need for budget reform, I want to speak to an issue that's frequently misunderstood. Now, we met our deadline and submitted to Congress a fiscal year 1988 budget that meets the Gramm-Rudman-Hollings deficit reduction goal without raising taxes. It's a sound budget, the result of hard work by our Cabinet and agency heads, and they're the people who run the programs.

A priority item in this year's budget is the continuation of our battle against drug abuse. We have tripled spending on drug programs since 1981. Well, last year we added \$900 million for the purchase of helicopters, airplanes, and certain facilities. Now we're charged with cutting next year's budget by \$900 million, proving that we aren't sincere about our crusade against drug abuse. Well, this was a one-time expenditure we don't have to repeat every year. As a matter of fact, we will still be spending some of that \$900 million in the coming years, but it won't show in the '88 budget. In other words, the car is bought; now all we have to do is buy the gas and change the oil. The fact that the drug issue has been so misrepresented demonstrates how politically charged the whole budget issue is. And that all makes reform difficult, but not impossible.

There's a movement afoot in Congress, led by Senator Pete Domenici and other responsible legislators, to introduce some badly needed order into the budget proc-

ess. One idea that deserves consideration is a 2-year budget cycle. A 2-year cycle for the defense budget has been initiated, and we'll be looking into the use for the total budget. Another real improvement would be individual appropriations bills that Congress delivers on time. Last year Congress missed all—yes, all—its deadlines and greeted me with what they call a continuing resolution at the end of the year. Now, that document was over 1,200 pages long and weighed 18¼ pounds. Now, that's what you call heavy reading. It contained the appropriations for practically our entire government, and I either had to veto it and close down the government or approve the whole thing, pork and all. The third reform would give me greater power to veto waste through so-called enhanced rescission authority. Now, this is much like the line-item veto, except that my recommendations for spending cuts could be overturned by a simple majority vote in either House of Congress. In other words, no sneak-by, back-door spending. If Congress wants certain spending, they can have it; but they have to stand up, be counted, and vote for it.

Yet another step in the right direction is credit reform. Last week we sent up to the Congress our Federal Credit Reform Act of 1987. This bill would enable the public, the Congress, and the administration to evaluate accurately the costs and benefits of direct loans and loan guarantees—costs that are now the subject of guess, speculation, and surmise.

We intend to work with those in Congress who are striving to put us back on the road to budget sanity. And just as we've done with credit reform, the administration will propose additional elements in what will be a comprehensive budget-process reform package. These reforms are important to you because they're a key to continued economic growth and job creation. It's time to put politics aside and do what the Congress knows has to be done sooner or later anyway: give the American people a budget process that controls spending, a budget process we can be proud of.

Until next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from Camp David, MD.

Statement on the Strategic Defense Initiative

March 23, 1987

It was 4 years ago today that America's Strategic Defense Initiative was set in motion. Then, in a television address to the Nation, I called on America's scientific community to determine if it were possible to develop a defense against ballistic missiles, a system based on deterring aggression through protection rather than threatening retaliation, a system that could, perhaps, free the world from the threat of these deadly weapons. And so, in March 1983 America and its allies began on the journey toward finding a defense against ballistic missiles.

Today, 4 years later, we have made remarkable progress towards that great objective. This is to the credit of the many members of our scientific and technical communities who joined this effort and to the Members of the Congress who have supported this plan. They understood that the Soviet Union has been working for more than a decade on its own strategic defense systems, even while it has been deploying hundreds of new offensive nuclear weapons. They understood how dangerous it would be if the Soviet Union had a defense and we did not. They understood, also, that it is possible for us to design and build a strategic defense. And they understood that

a system not only had to work but also had to be able to survive attacks itself and be more cost-effective than proliferating offenses. Now, thanks to them and their hard work and vision, and to the vision and perseverance of the American people and of our allies, all humanity can begin to look forward to a new era of security when the burden of nuclear terror is lifted from its shoulders.

One thing is clear: SDI truly serves the purposes of offensive weapons reduction. SDI can help us move toward a safer world. I have repeatedly pledged that SDI capabilities will never be used for offensive purposes. Like an effectively verifiable arms reduction agreement with which all parties comply, SDI can reduce the risk of war and the threat of ballistic missiles to mankind. It can reduce the danger of accidental warfare and give us the kind of insurance policy we need against violations of a future arms reduction treaty. And it has been a singularly effective instrument for bringing the Soviets to the bargaining table. In 4 years we have come far, and together we can continue on this journey toward achieving humanity's ancient dream: a world in which swords are beaten into plowshares and war is preached no more.

Message to the Senate Transmitting Two Conventions on Nuclear Accidents

March 23, 1987

To the Senate of the United States:

I submit herewith, for Senate advice and consent to ratification, the Convention on Early Notification of a Nuclear Accident, with declaration, and the Convention on Assistance in the Case of a Nuclear Accident or Radiological Emergency, with dec-

larations. These conventions were adopted on September 26, 1986, in Vienna at a Special Session of the General Conference of the International Atomic Energy Agency and signed by the United States on that date. I also transmit herewith, for the information of the Senate, the report of the De-

partment of State concerning the conventions.

At the May 1986 Tokyo Economic Summit, in view of the Chernobyl accident, I proposed, and the other heads of government agreed, that a convention providing for prompt notification of nuclear accidents with significant transboundary effects should be urgently drafted. The international community has acted with exceptional speed. Two conventions have been prepared and adopted by consensus. The convention on notification requires state parties to report promptly the occurrence of the accident and to provide information relevant to minimizing radiological consequences. The convention on assistance sets

out an international framework to facilitate prompt assistance in the event of a nuclear accident or radiological emergency.

The United States has initiated many steps to deal with nuclear safety in the aftermath of the Chernobyl accident. These conventions fill key gaps that existed in the international structure; they reflect an international consensus. There should be a domestic consensus in support of the conventions as well, and I urge the Senate to act expeditiously in giving its advice and consent to ratification.

RONALD REAGAN

The White House,
March 23, 1987.

Remarks and a Question-and-Answer Session With Members of the American Business Conference *March 24, 1987*

The President. As Henry VIII said to each of his six wives, "I won't keep you long." [Laughter] But it's wonderful to be here with such successful people, and I know that success in business doesn't come easy. You know the story: A tourist in New York went up to Louis Armstrong and said, "I can't wait to hear your performance tonight. I'm on my way to get tickets right now." And then he said, "By the way, how do I get to Carnegie Hall?" And Louis said, "Just practice, baby!" [Laughter]

But it is an honor to speak to the American Business Conference, an organization made up of America's most dynamic leaders, on our nation's path to economic growth. And I want to take a moment right here at the outset to acknowledge all that you've done to give our administration encouragement and support. I'd be remiss if I didn't mention, in particular, your support of our campaign to help prepare America for the 21st century, including your strong antiprotectionist stand. You've joined us in saying that in the century ahead America's growth, America's jobs, and the standard of living for every American family will depend on having a strong American econ-

omy in the strong and—well, that's just good, plain common sense, I think, and that's why I'm so glad you're here. Since I came to Washington, I've found loads of people who have all the answers, but not too many who remember the questions. [Laughter] That's part of common sense, and a lot of people seem to check theirs at the District line. So, as I say, I'm glad you're here.

Now, in preparing for the 21st century, nothing is more important than getting our house in order. And I'm delighted to be able to report to you that, despite the momentum built up by the 50-year-old spending juggernaut, we've made dramatic headway toward getting government spending under control. For the first time in more than a decade, the Federal Government is actually projected to spend less this fiscal year in real terms than the year before. And I think you'll agree that's no small accomplishment. On getting control of spending, we still have a long way to go though; but in so many areas, we've come a long way, too. In the last 6 years, we've wrestled inflation to the ground, cut the prime interest rate in half, and created more than 13

million new jobs since November of 1982.

But this morning I signed something: a report that I have to sign every year to go up to the Congress. And I think that I really should have thrown this away and brought the report over here—read it to you—because it was the report on what we, over these 6 years, have been doing with regard to improved management. And just a couple of the figures in that report, I think, would show what it contains. We've eliminated 30,000 pages of Federal regulations, and we have reduced the estimated time that all of you out in the public there would have to spend on government paperwork by 600 million man-hours a year. It goes on that way all the way through, and with literally billions of dollars that have been reduced simply by putting into practice at the government level the things that you do every day in business. We found we were still paying people with cardboard checks, and we changed that. A lot of many more important things are being done, and we're still at it.

We've known a revolution of hope and opportunity that some of our European allies have come to call the American Miracle. In fact, they've said it to my face in some of the economic summits. But continuation of these achievements and this progress is imperiled at this very moment by some in the Congress. One threat is the danger of so-called protectionist legislation. I say "so-called" because in reality it's destructionist. Today the importance of free trade is all but universally accepted as a fundamental of economic thought. So, too, it is all but universally understood that our own nation earns billions of dollars in foreign markets and has millions of jobs tied to exports.

We believe that America must not hide from the future but meet it as we always have met our challenges: with pride and strength. We want to make America number one in the world economy in the next century, and that isn't an easy or simple job. It'll touch many facets of our society. It involves the education of our children, the training of our workers, the management of our businesses, the investment in research and development by our industries, and the economic policies of our

government. The steps we've proposed in these areas will guarantee that America will still be number one in the year 2000. We're eager to work with those in Congress who share our goal of preparing America for the century ahead, and we've found a new receptiveness by certain Members of Congress for our approach.

About a month ago, I said it was time for all of us to join together in looking to the new world marketplace, not as a source of fear and uncertainty but in the way that Americans have always looked at challenges: as a great opportunity, another frontier for the American spirit, as America's next great adventure. Well, I plan, beginning this week, to travel around the country meeting America in all walks of life. And we'll be working to find commonsense answers to the challenge. Every once in a while, it's good for Washington not to always be talking about the answers but going out to the people and asking the questions.

To America's business, the challenge will be to make products more efficiently; to embrace new ideas, better methods of management, and new technologies; and to make the proudest, most desirable label on more and more products and services around the world "Made in America." Just think how happy that'll make Bob Hope. [Laughter] To America's workers, the challenge is to be prepared for the new jobs and new skills of the future and to prove in the quality of their work that the pride is, indeed, back. And to us all, the challenge is to show the same spirit of enterprise and adventure, the same can-do spirit that built our country and made it great.

You know, I've always heard the story about us brash Americans back when we started to become tourists again. And some of the Americans would go back to their source in Europe, and on tours. And the story of the elderly couple there that were at Mount Vesuvius, and the guide was telling them of the amount of heat that was expelled from the volcano and how much it was doing and all of this. And the old boy turned to his wife and said, "Hell, we got a volunteer fire department at home put that thing out in 15 minutes." [Laughter]

You may have seen the TV commercials, supposedly set a few years hence, that show a ragged-looking man in an empty room. He talks about how America lost its prosperity because of foreign competition. The message is that we need to build trade walls, but of course, the truth is just the opposite. In 1930, we tried that other way: major new tariffs, and 3 years later the unemployment rate stood at 25 percent. America's periods of greatest prosperity, of course, have always been periods of growing trade, and that's why there is developing a great bipartisan consensus that the answer to our trade problems is more trade. House Speaker Jim Wright said recently: "The solution lies in opening markets for American goods, not in closing our markets to foreign goods."

It's very simple: While keeping our own market open, we will not sit idly by when others close theirs to our products, subsidize their exports, or fail to trade fairly. And in these last 6 years I'm proud to say that we've taken the strongest actions in American history against unfair trade practices abroad, and we're going to keep on until we've got a completely fair and level trading area. Recently we've asked Congress to strengthen the guarantees that we give patents, copyrights, and trade secrets, so America's intellectual property will be clearly staked out with a sign that reads "No Trespassing." And I have also asked Congress for authority to negotiate a new round of trade agreements to bring down the barriers to world trade all around the world. We must help those whom a changing economy has displaced, but we must also never forget that what's at stake here is America's future—for ourselves, our children, their children—on into the next century.

And this brings me to the second great danger Congress is posing, a danger that has to do with the Federal budget. The budget deficit is a major threat to our national competitiveness. Yet last week Congress passed a budget-busting highway bill. And it is really a lemon, with a sticker price of \$88 billion, loaded with every option in the book. And it has just sputtered down Pennsylvania Avenue while you were sitting in here and is parked over at the

White House. And before the day is over, I think I will have it towed back and dropped at Congress' door with a note on it that says, "Stop the spending spree! Get to work!" And the message can't get there too soon.

Even before Congress has drawn up their budget, some there are saying that they want to back away from our commitment to Gramm-Rudman-Hollings. Some are even saying they want to raise taxes again on the American people. Well, I'm sorry, we're not going to let that happen. The American people worked long and hard to cut tax rates and win tax reform, and they put their trust in their elected representatives and were promised by those representatives that they would be given the long-overdue tax relief they so truly deserve. Well, we're not going to break faith with the American people. Tax reform will go ahead as scheduled. As I've been saying all along, my pledge to veto any tax rate increase remains rock-solid. There will be no tax rate increase in the 100th Congress. It's time Congress cut the Federal budget and left the family budget alone.

What I've been saying today all adds up to this: The best way to protect our economic achievements is to institutionalize the revolution that we launched when we came here 6 years ago. And believe me, I intend to do just that. After all, I've always been sort of partial to a big finish. You should have a good third-act curtain. But I'm going to do something now that isn't in the schedule. I hope everybody will forgive me; I just can't resist with all of you here. I know I've only got just a few minutes and then a Cabinet meeting waiting over there. But just at least for one or two—some of you—there must have been times in these last 6 years when you've said, "Boy, if I had a chance, I'd like to ask him" Well, go ahead. Anybody got a question they'd like to ask? Caught you by surprise? [Laughter]

Yes?

Q. My 92-year-old mother says she supports you 100 percent.

The President. Now, you see, that's a question I like. [Laughter] Thank you. Please give her my regards, and thank her

very much.

Yes?

Line-Item Veto

Q. Mr. President, where do you stand on the line-item veto? How's that going to come out do you think?

The President. I need all the help I can get from people like yourselves and from the people themselves. There are 43 Governors—and I was one of them—in this nation that have the line-item veto. Almost all of those States, or maybe all of them, have also in their constitutions a balanced budget amendment. As President—or as Governor, I vetoed, in that manner, 943 times, and the vetoes were never overridden once by the same people who had sent the budget to me, having voted to pass it. Yet the Congress just digs in its heels and seems to think that would be giving a President some kind of power that he shouldn't have, but I claim it's the basic answer to getting control, once and for all, over this built-in deficit spending—and it is built in to our very structure. We've been doing it now for more than a half a century. Well, as I've said so often, it isn't necessary to make the Congress see the light; make them feel the heat. [*Laughter*] So, get busy.

Excellence in Education

Q. Mr. President, how can we improve the quality of our education, especially the secondary education in the United States?

The President. Well, we've been studying that. And at the high school level—well, and at the elementary level there has been great improvement since that Commission of ours, the Commission on Excellence in Education, came out with its report. And our Secretary of Education [William J. Bennett] did a great job of getting this throughout the country. There are 37 States already that have increased the requirements for high school graduation, and many of them have lengthened the school year. There's no question but that we drifted into a relapse in what had been a great educational system here. And I think it's going to be up to all of us—and that doesn't mean the Federal Government, for the 7 percent of education that we fund trying to get 70 percent of control. The control of education

belongs right back there in the community with the parents, where they can raise Cain if they don't like what's going on.

As Governor, every year I used to meet with a group of exchange students and foreign students that would come here. And they'd all come to the Governor's office. And I always had one question I'd ask them, and I always got the same answer. I'd say, "By the way, now that you've been going to school almost a year here in our schools, how do our schools compare in work with your own at home?" And there'd be a pause, and then they'd kind of look at each other. And then they'd start giggling, and then there'd be a belly laugh out of all of them. Our education was just that much easier than what they were subjected to in their countries. And we're getting back now and have more work. But I think even up at our college and high school level—when I found out that in one of our great universities some students there—that in their third year at the university—didn't know which side Hitler had been on in World War II, I decided something's lacking in our history education. But this has got to be the end now, I have gone over, but—

Federal Budget

Q. Mr. President, what is the possibility of your inducing Speaker Wright and Senator Byrd to come together with you and work diligently on a good budget bill?

The President. Well, we've sent ours up, and they have proposed a kind of a summit meeting, but without coming up with a budget of their own. And very frankly, I have said to them: "Look, you don't like the budget I've sent up? You make out a budget. Then let's sit down and talk about the two budgets." Well, they've never sent us one. They just want to talk about ours.

Well, I know I've got to quit. And I thank you all, and God bless you all.

Note: The President spoke at 1:35 p.m. in Room 450 of the Old Executive Office Building. In his remarks, the President referred to a television commercial in which Bob Hope promoted the purchase of American-made products.

Statement on Signing the Government National Mortgage Association Securities Bill

March 24, 1987

I have today signed into law H.R. 1056, which limits the fees that may be charged by the Government National Mortgage Association (GNMA) for its guarantees of privately issued mortgage-backed securities. Despite my approval, I have a number of serious reservations concerning this legislation that must be addressed promptly through remedial amendments. This law prohibits GNMA from increasing its current fee of .06 percent charged to issuers of single-family, mortgage-backed securities. It also restricts GNMA's ability to set other types of fees and charges. Finally, it requires the Secretary of Housing and Urban Development to certify to the Congress, at least 90 days before any increase in GNMA fees or charges becomes effective, that the increase meets certain conditions specified in the law.

Mandating a .06-percent GNMA fee in statute, rather than establishing standards under which fees should be determined, is an unnecessary and risky congressional intrusion into GNMA's ability to respond quickly and flexibly to changes in financial markets. It hampers GNMA's ability to maintain the reserves necessary to meet its obligations, particularly in light of a disturbing increase in claims and in GNMA's contingent liabilities. While GNMA losses have historically been small, claims and advances in the current fiscal year are expected to amount to one-half of those in the previous

16 years combined. The legislative cap on fees could well call into question the adequacy of GNMA's current reserve of \$1.4 billion, given the \$250 billion in GNMA-guaranteed securities presently outstanding and GNMA's monthly contingent liability of \$3 billion. Finally, the current low GNMA fee results in securities issuers receiving higher fees for servicing GNMA-guaranteed issues than for servicing similar securities without a GNMA guarantee.

By imposing a virtual straitjacket on GNMA's ability to set other fees and charges, and by virtue of the 90-day "certification" procedure, this legislation further impedes GNMA's ability to adjust quickly to changing market requirements. I am signing this legislation despite my objections because, given the bipartisan support for this bill in the Congress, I believe that remedial amendments offer the best opportunity to rectify the serious problems I have described. Based upon my understanding that there is a willingness in the Congress to consider appropriate amendments, I have instructed Secretary [of Housing and Urban Development] Pierce to work with the Congress in drafting revisions to this legislation that will restore GNMA's ability to administer its mortgage-backed security guarantee program as effectively in the future as it has since its establishment in 1970.

Note: H.R. 1056, approved March 24, was assigned Public Law No. 100-14.

Accordance of the Personal Rank of Ambassador to Lewis A. Dunn While Serving as United States Coordinator to the United Nations Conference on Peaceful Uses of Nuclear Energy

March 24, 1987

The President today accorded the personal rank of Ambassador to Lewis A. Dunn, of Virginia, in his capacity as United States

coordinator to the 1987 United Nations Peaceful Uses of Nuclear Energy Conference, March 23-April 10, 1987, in Geneva,

Switzerland.

Dr. Dunn is presently an Assistant Director in the U.S. Arms Control and Disarmament Agency, where he has been serving since 1983. From 1982 to 1983, he was counselor to Ambassador at Large Richard T. Kennedy, and from 1981 to 1982, he was Special Assistant for Nuclear Affairs to the Under Secretary of State for Management. Prior to his government service, Dr. Dunn was on the senior professional staff and a project leader at Hudson Institute in New

York, from 1976 to 1981. From 1974 to 1976, he was a member of the professional staff at Hudson Institute. In 1971–1974, he was an assistant professor of political science at Kenyon College, and from 1969 to 1971, he was an instructor of political science at Kenyon College.

He graduated from Cornell University (A.B., 1965) and the University of Chicago (Ph.D., 1973). Dr. Dunn is married and resides in Arlington, VA. He was born January 1, 1944, in New York City.

Nomination of William Lee Hanley, Jr., To Be a Member of the Board of Directors of the Corporation for Public Broadcasting *March 24, 1987*

The President today announced his intention to nominate William Lee Hanley, Jr., to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1992. This is a reappointment.

Mr. Hanley was first appointed to this board in September 1983. Since 1964 he has been with Hanley, Inc., president,

1970–present; chief executive officer, 1974–present; and chairman of the board, 1979–present. In 1980 he became a partner with Black, Manafort & Stone, Inc.

He graduated from Yale University (B.A., 1964). Mr. Hanley is married, has five children, and resides in Greenwich, CT. He was born January 27, 1940, in New York City.

Appointment of Five Members of the Architectural and Transportation Barriers Compliance Board *March 24, 1987*

The President today announced his intention to appoint the following individuals to be members of the Architectural and Transportation Barriers Compliance Board:

For a term expiring December 3, 1988:

Robert Anthony Cothren, of Alabama. This is a new position. Since 1985 he has been in the private practice of law. Mr. Cothren was active in working with handicapped rehabilitation. He graduated from the University of Alabama (B.A., 1971), the Dallas Theological Seminary (TH.M., 1976), and Cumberland School of Law (J.D., 1984). Mr. Cothren was born January 26, 1949, in Atlanta, GA, and resides in Birmingham, AL.

For terms expiring December 3, 1989:

Howard Adams, of Arizona. He would succeed David W. Meyers. Since 1978 Mr. Adams has been a Phoenix city councilman. Previously he was export manager, Crane Co. in Phoenix, AZ, 1961–1964. He graduated from Duquesne University (B.S., 1960) and American Graduate School of International Management, (B.F.T., 1961). Mr. Adams is married, has three children, and resides in Phoenix, AZ. He was born August 5, 1933, in Pittsburgh, PA.

Gene A. Chappie, of California. He would succeed Vito P. Battista. Mr. Chappie served as a Member of the United States Congress from 1981 to 1987; serving on the House Committee on Agriculture, House Committee on Merchant

Marine and Fisheries, Select Committee on Narcotics Control and Abuse, and the House Committee on Small Business. Prior to this, he served as an assemblyman in the California State Assembly, 1964–1980. He is married, has five children, and resides in Cool, CA. Mr. Chappie was born March 8, 1928, in Sacramento, CA.

Robert T. Kelly, Jr., of Florida. He would succeed Elizabeth M. Hanicke. Since 1976 Mr. Kelly has been employed with Southern Bell Telephone Co. in installation support. He graduated from Florida International University (B.A.,

1973). Mr. Kelly was born July 20, 1949, in Miami, FL, and resides in Miami.

William J. Tangye, of Alabama. This is a reappointment. Mr. Tangye has been a member since July 1985. Since 1982 Mr. Tangye has been executive vice president, Southern Building Code Congress International. Prior to this he was director, engineering services, Southern Building Code Congress, 1975–1982. He graduated from California State Polytechnic University (B.S., 1967). Mr. Tangye is married, has two children, and resides in Birmingham, AL. He was born March 27, 1945, in Oakland, CA.

Appointment of Juan G. Roederer as a Member of the Arctic Research Commission

March 24, 1987

The President today announced his intention to appoint Juan G. Roederer to be a member of the Arctic Research Commission for the term expiring February 26, 1991. This is a reappointment.

Dr. Roederer has been a member of this commission since February 1985. Since 1986 he has been a professor of physics,

University of Alaska. Previously Dr. Roederer was director, Geophysical Institute, University of Alaska, 1977–1986.

He graduated from the University of Buenos Aires (Ph.D., 1952). Dr. Roederer is married, has four children, and resides in Fairbanks, AK. He was born September 2, 1929, in Trieste, Italy.

Proclamation 5623—Greek Independence Day: A National Day of Celebration of Greek and American Democracy, 1987

March 24, 1987

*By the President of the United States
of America*

A Proclamation

Among Greece's most cherished and revered contributions to mankind are the ideals of freedom and democracy. Because these ideals have played a central role in the history of our Nation, it is most fitting that we observe a day in celebration of Greek independence and of our shared love of democracy.

One hundred and sixty-six years ago, inspired by the legacy of liberty and democracy left them by their ancestors, the Greek people began a long struggle in which they regained freedom. The same legacy has in-

spired many peoples throughout history. Those who framed our Declaration of Independence, and the Constitution whose bicentennial we celebrate this year, drew upon the political and philosophical experience of the ancient Greeks and their followers through the centuries.

By joining in the independence celebration of the Greek people, we pay special tribute to the democratic values that we in the United States, together with our friends and allies such as Greece, are committed to defend.

The Congress, by Public Law 99–532, has designated March 25, 1987, as “Greek Independence Day: A National Day of Celebra-

tion of Greek and American Democracy” and has authorized and requested the President to issue a proclamation in observance of this event.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim March 25, 1987, as Greek Independence Day: A National Day of Celebration of Greek and American Democracy, and I urge all Americans to join in appropriate ceremonies and activities to salute the Greek people and Greek independence.

In Witness Whereof, I have hereunto set my hand this twenty-fourth day of March, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 3:06 p.m., March 25, 1987]

Note: The proclamation was released by the Office of the Press Secretary on March 25.

Informal Exchange With Reporters

March 25, 1987

Q. Mr. President, the Democrats say the Republicans are stonewalling the budget process. They won't participate. Are the Republicans refusing to participate in the budget process?

The President. Sam [Sam Donaldson, ABC News], the Republicans, for all the 6 years that I've been here, every year, have offered a sound, solid budget; and the Democrats come back with a continuing resolution. And they haven't given us a budget yet.

Q. Will there be one this year, or will there be a continuing resolution this year? Will you get one this year, or will it be another continuing resolution?

The President. I'm still trying. It's a good budget. It meets the Gramm-Rudman-Hollings terms. And the Democrats have refused to present a budget of their own.

Q. They want taxes, new taxes.

The President. I know. They're not going to get those either. Nice talking to you.

Q. Thanks a lot.

Q. If I could think of a question on Iran—I can't think of one. *[Laughter]*

Note: The exchange began at 10:16 a.m. in the Rotunda at the Cannon House Office Building, prior to a meeting with Republican members of the budget conference committee.

Informal Exchange With Reporters

March 26, 1987

Q. [Inaudible]—the court decision on affirmative action?

The President. Well, obviously, I disagree with the decision. But the court has made it, and I'm not going to quarrel with that. But all our position has been is we shouldn't let affirmative action deteriorate into a quota system that would then be counter-discriminatory—or discriminatory.

Q. That's against your grain, isn't it? It's

against your grain, then? Isn't it against your philosophy?

The President. What?

Q. The decision is against your philosophy?

The President. Well, the philosophy is antidiscrimination, but now I think we've come to a point that we can be antidiscrimination both ways.

Q. Did Mrs. Reagan like the decision?

The President. What?

Q. Did Mrs. Reagan like the decision?

The President. Well, we haven't talked about it.

Note: The exchange began at 9:52 a.m. at

the South Portico of the White House, prior to the President's departure for Columbia, MO. The Supreme Court had recently upheld a voluntary affirmative action plan for public employees to correct sex discrimination.

Remarks to Area Students in Columbia, Missouri

March 26, 1987

Anyone playing hooky? Well, we're here today because Columbia has some of the best schools and best students in America. And the schools here are helping America prepare for the 21st century. One of America's best is Ridgeway Elementary. And one of America's best high schools is Rockbridge High, the home of the Bruins. I know that Immaculate Conception is here and the 701 Cub Scout troop is here. [Applause] There they are.

Well, my thanks to all of you. You know, maybe what you all have achieved here with regard to your education setup, maybe

I should take some of you back to Washington and we'd straighten out some of those puzzle palaces on the Potomac. Well, I thank you all very much for coming out. I know that I have to move on, we've got quite a busy schedule, but thank you all. Thank you for the musical greeting. I used to be a drum major in a band just like yours myself in Dixon, Illinois. Well, thank you all very much for coming out and for this warm welcome. God bless you all.

Note: The President spoke at 11:11 a.m. at Columbia Regional Airport.

Informal Exchange With Reporters in Columbia, Missouri

March 26, 1987

Q. Mr. President, what is the point today? What are you trying to do by being out among the people again?

The President. Well, I can tell you that, but I can tell you also that the first thing I've been doing on the plane here is calling some Senators with regard to sustaining my veto on the highway bill, which is—we're not against having a highway bill, we just don't like this one. And we're hoping that the Congress will come up with one that I can sign.

Q. Yes, but they've said that there's no time to get another one, Mr. President.

The President. There is if they want to.

Q. Jim Wright says that you're driving a Rolls Royce and the rest of America's in a pickup truck and you're going to be in a collision.

The President. You mean, he's driving the pickup?

Q. Well, he says that you're not going to be able to get this bill through, and that you're picking unnecessary fights with Congress, sir.

The President. We could if they wanted to. They could have the bill up next week, and I would sign the bill next week. But this one is filled with pork.

Q. Are you just trying to fight with Congress to take attention off of Iran and the *contras*?

The President. Not at all. I'm trying to get a highway bill that we can support.

Q. But—

The President. Now, you asked the question about what we're doing here. Columbia happens to—I wasn't kidding here in

my remarks to these young people—Columbia happens to have had some great achievements in the improvement in education throughout the country. And one of the schools I'm visiting today will be a school that has received an award. And I will be talking about—well, in the few years that we've had this, several students from one school—the high school here, had been awarded. And that's a pretty good percentage when there are only 141 such awards given a year.

Q. Mr. President, are you prepared to talk about the AIDS problem at any point soon?

The President. What?

Q. The AIDS problem. Will you talk about that today in this setting?

The President. No, we won't be mentioning it here, but I can tell you that we're talking about it among ourselves there at the White House, and our plans and so forth are going forward.

Q. We're not going to hear about it then? When are we going to hear about it, sir?

Q. Is this the new—

The President. When we finish talking about it and are ready to act.

Q. Is this the new *glasnost*? We like it,

being able to talk to you—more openness.

Mr. Baker. He likes it, too.

The President. Yes.

Q. Well, what did Casey know about Iran?

Q. The Democrats—

The President. I only stayed away from you before because I didn't know anything to answer the questions that you all had, and I'm still waiting to find out some of it. I didn't know—

Q. Mr. President, the Democrats are going ahead and putting together a budget—like you said you wanted them to—and they're putting it together with tax increases. Are you going to look at the budget they propose to you?

The President. Well, I can tell you that that part of it—in the negotiation that may take place—that part's out to begin with.

Q. What about Casey? Were his fingerprints all over Iran?

Q. Thank you.

The President. I got to go.

Mr. Baker. Thank you.

Note: The exchange began at 11:13 a.m. at Columbia Regional Airport. Howard H. Baker, Jr., was Chief of Staff to the President.

Remarks to Students at Fairview Elementary School in Columbia, Missouri

March 26, 1987

The President. Well, I've enjoyed this. I wish it could go on longer. I hope that you all realize that you are part of a really exceptional school system. That's why we're here. The schools here in Columbia have achieved so much improvement over the years and such quality, that's why the Secretary and I and the others are all here.

But also in this civics class, and what you were doing—you know, it brings to mind about people like myself, like the Secretary and the people that you were talking about there in the Congress. We don't really make the country great. You and Mrs. Hassemer, and you and your parents and the

people of this country determine the quality of the country, because all of us work for you. We're the employees of the people of this country. And if the people of America are good, and they are, and they're patriotic, things will go right.

Many years ago, in fact more than 100 years ago, when this brand new country had suddenly achieved such stature and was so great and becoming powerful, a French writer came to this country. His name was de Tocqueville. He came because Europe was amazed. They wanted to find out: How did we do it? And he came and went all over America to meet the people and to

look and to see, and went back and wrote a book about it. And he wrote one line in that book that was very wonderful in explaining things. He said: "America is great because America is good. And if America ever stops being good, America will stop being great."

And with all of this, and the checks and balances which you've been speaking about here today, the legislative, the executive branch, the judicial branch over all, to make sure we obey the law, all points up to the fact that, when we had our Revolution 200 years ago—there had been revolutions all over the world before and since. But most of those revolutions just changed one set of rulers for another set of rulers. Our Revolution was much deeper than that. We created something that had never before been done in the history of man. We created a government that was run by the people. And that's the difference between our Constitution and all those others.

I've read an awful lot of constitutions. I've read the Soviet Constitution. It talks about right of assembly and freedom of speech and things of that kind. But what's the big difference, then, between theirs and ours? Well, all those other constitutions say we, the government, will allow you, the people, to do the following things. Our Constitution says we, the people, will allow the Government to do the following things, and the Government can't do anything that is not prescribed there in the Constitution. And that makes us so totally different from anyone else in the whole world. And pretty soon, you're going to be growing up and be in a new century, and you're going to be running the country. And you don't have to hold public office to do that. You, the people, are in charge.

I could go on here, but I know I shouldn't. Could I, just as a closing in here—since you were all being asked so many questions, I know I only have time for one. We have to move on to some other classes. Would someone like to ask—well, my partner here would.

Ms. Watson. All this publicity and the press and stuff, they would scare me out of my mind. I just wonder what is it that made it worthwhile to you?

The President. That had made it so what?

Q. Worthwhile to you.

The President. What had made it worthwhile? Well, this was one of the things why I asked for a commission to be appointed to bring out all the facts. You know, there was a revolution in a country called Iran, and the Ayatollah Khomeini took over and became the dictator of that country. Before that, it had a royal family, the Shah, the King. And he was thrown out of the country. But he had been—well, I knew him personally, and had met him and had been there in Iran. And he was doing what he thought was right for the people.

Then, this revolution decided that we, the United States, we were the Great Satan, we were the evil force. And yet, that's a very strategic country there in the Middle East, where there is so much trouble, and yet, where so much trouble for the world can be caused. And we got word that some people there in the government would like to talk to us about maybe reestablishing a friendly relationship between the two countries.

Now, there is a terrorist group in another country, Lebanon, that we believe also sort of may not take orders exactly, but it gets its direction from the Ayatollah Khomeini's government. And they are holding some Americans as hostages. They've kidnaped them, and they're holding them there. They've had them there more than a year. And we thought this was an opportunity—if we could establish a better relationship with these people in the Iranian Government who wanted to have a better relationship, or said they did. And, so, we sent some people over to start talking to them. And they wanted us to prove that we really were serious. And, so, they asked us to sell them some weapons. We hadn't been doing that because they're engaged in a war. But these people said they were opposed to the war themselves, and they would like to see it ended. So we agreed, but on a basis that we said you can prove your qualifications, as you're asking us to prove ours, by seeing if you could get this terrorist group to free our hostages. And we would each do this for each other.

Well, this is what we started. And I'm afraid it wasn't carried out the way we had thought it would be. It sort of settled down

to just trading arms for hostages, and that's a little like paying ransom to a kidnaper. If you do it, then the kidnaper's just encouraged to go kidnap someone else. And finally, all of this came out into the open. Up until then, we'd had to keep everything very secret because we felt that the people who were talking to us from Iran would be executed by their government if they were found doing this. And it all came out in the public. I don't know what has happened to all those people there or not. And I have to say that I still think that the idea was right to try and establish a friendly relationship, try and bring about peace between the two countries that are at war, and try and get our people freed. But it kind of deteriorated into something else, and as I said the other night on television, I won't make that mistake again.

Well, I know that I've talked too much here, and—

Mrs. Hassemer. Thank you for coming.

We really appreciate it. I understand you need to get down to third grade.

The President. Yes.

Mrs. Hassemer. We do appreciate your coming today. Let's thank the President and Secretary Bennett for coming. [*Applause*]

The President. When you're studying these particular things, this particular course, remember how important it is. Because Thomas Jefferson—you all know who he was back in our history—Thomas Jefferson said: "If the people have all the facts and know the truth, the people will never make a mistake."

Thank you all very much.

Note: The President spoke at 12:10 p.m. to Mrs. Elaine Hassemer's sixth grade class. Heather Watson was a student in the class. Prior to his remarks, the President and Secretary of Education William J. Bennett listened to a classroom discussion on the Constitution's separation of powers.

Remarks to Students at Fairview Elementary School in Columbia, Missouri

March 26, 1987

The President. I know that Secretary Bennett and I are both very happy to be here. Can you all hear?

Students. Yes.

The President. And I think this is wonderful what you're doing, but at least I have to tell you this: You're way ahead of me, because I haven't caught up with computers yet. We didn't have them when I was in this grade in school, and I think it's wonderful that you do.

But I'd also like to say to you that a great many things that you have—spaceships and jet airplanes, radio, television—all of those things came after I was born. There hadn't been any such things. And yet you are going to—just as we now, who've grown up with all of these things coming along during our lifetime, and seeing all these miracles—and I call computers miracles—you're going to see many things you can't even imagine

today.

But this very problem also touched on something that was one of the great things of our land, and that is the ability for anyone who gets an idea about a kind of business—wants to be in business for themselves—can do it. And we call that, in our country, we call that independent, or maybe even small business, because it isn't like the great corporations that make the automobiles and airplanes and that sort of thing. But that small, independent business in America accounts for most of the new jobs that give people employment, and indeed is responsible for most of the jobs in the country that people must have to make their living. So, you are learning something that is not just schoolwork that you can walk out and forget. You're learning some pretty practical things that will come in handy the rest of your life. And I just con-

gratulate you and just wanted you to know that you're way ahead of where people like the Secretary and I were when we were in your class, or in your grade. So, carry on, and thanks for letting us interrupt. Bye bye.

Students. Bye bye.

Reporter. Did you make a profit on your lemonade sale, Mr. President? Did you make a profit on the lemonade?

The President. He went for bigger business and he made more, but what was it we made on the profit here? I'd have to look it up in the books. Yes, we made a profit of \$2.10—started out with assets of \$2.00. We've now got \$4.00 and a dime.

Q. Now, did you hear the part, Mr. President, about not being able to spend more than you take in, because then you wind up with a deficit?

The President. I didn't think there was any sense in getting into government. [Laughter]

Q. You know about deficits?

The President. What?

Q. You know about deficits?

The President. Oh, I do, yes.

Q. Anything you could tell the students about deficit spending—more than you've got?

The President. You see, what they're all teasing me about is the fact that our government is spending more than it takes in. And each year the debt gets greater. And I would like to say back to them—because they're trying to tackle me because we're having deficits now—we've been having deficits in our country for the last 56 years, spending more than we've been taking in. So, we now owe over \$2 trillion. And what we're trying to do right now in Washington, people like the Secretary and myself, is persuade the Congress to get back to where we're not spending more than we take in. Because if you did that with your orange stand, you'd be out of business the first day.

Mrs. Loethen. Well, we think you're wonderful. Thank you for coming to Fairview.

The President. Thank you.

Secretary Bennett. You're wonderful, too. Thank you. Bye, boys and girls.

Mrs. Loethen. Thank you very much.

The President. Goodbye.

Students. Bye bye.

Note: The President spoke at 12:30 p.m. to Mrs. Jean Loethen's third grade class. Prior to his remarks, the President and Secretary of Education William J. Bennett participated in an economics exercise with students.

Remarks on Departing Fairview Elementary School in Columbia, Missouri March 26, 1987

The President. Well, thank you, Bill, and thank all of you very much for a wonderful welcome. You know, I put some things down on a card here so I wouldn't forget, and then he took care of it and asked you, and you answered, all the questions and so forth. So, I don't know whether this card is worth anything or not. But I'm grateful for your principal, James Wells, inviting us here to be here today, and I have a special thanks for Mrs. Hassemer and Mrs. Loethen and the classes that I have just visited here.

And also I have with us Ms. Joy Underdown, and she's kind of special to us because, out in California before she came

here, she was the teacher of our son, Ron. And we thought she was a very wonderful teacher, and so did he. And so, I was glad to make contact again after a certain number of years that have gone by since he was there. But I wasn't surprised to find her teaching in such a great school. And because I know that you—and that's great, the way you feel about it, but do you know something else? A lot more of us who hadn't even been here before know that this is a great school. And it has been so rated because of the progress that you've made and the quality of the education that you're getting here and the level of all of

you as students—that this is one of the truly fine schools in all of the United States of America. And all of you it takes to make it that way, your faculty, your teachers, your administrators, you students, your parents. It's taken all of you and your very fine Governor here to make this the great school that it is.

So, you are busy now because in the 21st century you'll be in charge; you'll be taking over. And what you're learning right here are the things that you need to know when you are running the country in that new century. So, again, I just want to thank all of you for letting us come here and be with you for a while this morning. And I know that we've got someone waiting for us now

at another great school, one of your high schools here, and we have to get on to that high school. You wouldn't want us to keep them waiting, would you?

Audience. Yes. [*Laughter*]

The President. Well, there was a little divided opinion there, but—[*laughter*]. And I'm flattered by that, but the ones that said no are the ones that will have to decide. And we'll have to get going. But, again, thank you all. God bless you all.

Note: The President spoke at 12:38 p.m. in the school auditorium. Secretary of Education William J. Bennett introduced the President.

Remarks at Hickman High School in Columbia, Missouri March 26, 1987

The President. Thank you very much. Just don't mind me—I'm just passing through. I saw a band and they were playing wonderful music and I just followed them and here I am. Now, they tell me that this is the home of the Kewpies. And from the look of the trophy cases in the hall, one time or another, the Kewpies have been champs in just about everything including all-around—particularly academic, you've had championships. And that's why Secretary Bennett and I are here today.

If America is to be what it should be in the 21st century, then it's going to need a lot of schools, good schools. And Hickman, I'm pleased and proud to tell you, is one of the best. I appreciate your principal, Kenneth Clark, inviting us here, and the faculty and all of you and the citizens that have made us so welcome here in Columbia. But it is true, the schools in Columbia are renowned and have been chosen and awarded honors for the progress that has been made in academic quality. And so, I'm delighted to congratulate all of you on that.

I think when I said that I followed the band here, I ought to tell you that I was once drum major of a band like that. But I'm not sure anyone should have followed

us, because we were in a neighboring town up there in Illinois where I grew up, and we were asked to come over and lead the parade on Decoration Day in this other town. And then there was a fellow on a white horse, the grand marshal of the parade, who was out in front of us to make sure we went in the right direction. And he turned and rode back down the parade line to make sure everything was coming along right. And I'm out in front there with the baton and the band following and playing, and I didn't know that he rode up just in time to catch the band, not me, that were supposed to turn a corner. And I thought the music was beginning to sound fainter. [*Laughter*] But I was walking on down the street all by myself—the band had turned the corner. [*Laughter*]

Well, again, I know that I'm supposed to move on. We've got this great conference that's waiting, and I think we've been behind schedule for quite some time.

Students. Awww!

The President. I feel that way, too. [*Laughter*]

Student. I have a present for you. Mr. President, on behalf of Hickman High School, we'd like to make you an honorary

Kewpie, which is our school mascot, and present you with this sweatshirt.

The President. Well, thank you. I'll tell you another bad thing about my youth, too. When I was playing football, the cheerlead-

ers were boys. [*Laughter*]

Note: The President spoke at 1:41 p.m. in the school auditorium.

Remarks to the National Governors' Association-Department of Education Conference in Columbia, Missouri

March 26, 1987

Bill, could I interject a comment here, because you've talked about something that's very dear to my heart. I think, back in California when I was Governor, that we were sort of in the forefront with regard to bilingual education. But my belief in the definition of that was it meant that—faced as we are there, particularly with the Hispanic group and language talked at home and not at school—that we were to provide, if we could, teachers adept in both languages, so that if a student was not getting what he should get, they could find out whether it was a language difficulty or not. And I met one young man who had graduated there in East Los Angeles from high school, top in his class. He had spent several years in a class for the mentally retarded because teachers had just decided that was what was wrong. And then along came—God bless her—a teacher who went a little deeper and found out it was the language problem.

But I have to say—and I think that the Federal Government has a part that is played in this, and not a good part—that we have come to the point where we're talking about teaching both languages and teaching students in their native language, instead of what the move should be if they're going to be in America: They have to learn our language in order to get along. And I will do anything that I can to help to get rid of any Federal interference that is trying to force local school districts to continue teaching students in their native tongue. Their job is to teach them English.

And could I just say one last thing? I'm taking too much time here. In East Los Angeles I met with a group of parents, His-

panic parents. And I asked them—a group of mothers—I said, well, why couldn't you take turns volunteering to sit in the class where there's a high percentage of these students, and if the teacher is confused, not aware that it's the language problem, you who speak both languages now, you could interject and find out if that is the problem with this student's lack of understanding. And they told me that there were regulations that prevented them from being able to sit in a classroom and do that, because they didn't have certificates to do such a thing. Well, I think it's time we started looking at the regulations and getting back to the main subject, which is, yes, let's get everybody to talk in our language.

[The President resumed speaking at 2:28 p.m.]

Governor Ashcroft and Governor Bangerter and Governor Campbell and Governor Sununu, Secretary Bennett, distinguished guests, before I begin my remarks, let me say a word of thanks to our hosts, Principal Kenneth Clark and the staff, the faculty, and students of Hickman High School. This school, Hickman High, is a special school with a long and proud tradition. The one thing I'm told—and I'm sure it's true—it's the only school in America that has as its team name the "Kewpies." With a name like "Kewpies," you've got to be good, and Hickman is. [*Laughter*]

As you can see just by looking at the trophy cases in the halls, over the years Hickman High has been an all-round champion in basketball, swimming, tennis, and football, as well as in areas like debate, dramatic speaking, music, and mathematics.

And Hickman has excelled in one area that I, in particular, know something about. Every year 141 students from throughout the Nation are named Presidential Scholars. This program began in 1964, and since then Hickman High has been home to six winners, putting it at the top 5 percent of all the schools in the Nation. And you can see why Hickman received the Department of Education's Secondary School Recognition Award. Hickman High is one of the best. Now, I'd better stop, or they'll make me an honorary "Kewpie." [Laughter]

When we talk about what works in education, we're really talking about preparing for America's future. Last month I said that it was time to begin a great American discussion about our future and how to prepare America for the world of the year 2000 and beyond. What kind of country will we pass on to our children? That challenge, preparing America for the 21st century, is as great an adventure as the one that faced settlers who, more than a century-and-a-half ago, started a town along the Flat Branch that they called Columbia. It includes being sure that we make the best use of our science and technology, so that when we're first to invent something, we're also first to bring it to market. It includes improving the climate for entrepreneurship and growth, so that the young people here in Columbia and around our nation can live in a world where the only limits on what they achieve are the limits of their own dreams and determination. The key here is lower tax rates and fewer needless regulations, and we've made great progress in both those areas. But the job won't be done until we get control of Federal spending, so that tax rates won't go up again. That's why it's time for Congress to cut the Federal budget and leave the family budget alone.

The challenge of preparing for the 21st century also includes working to build a fair, open, and expanding world economy. This is where the jobs and prosperity of our future will come from. And finally, it includes making sure our young people are ready for the jobs of the 21st century, making sure they're ready to lead a strong America in a strong and growing world economy. In short, making sure that American education is the best in the world. Yes,

it's a challenge for every American, the challenge of preparing America for the next century.

And that reminds me of a story. When you get to be my age, everything reminds you of a story. [Laughter] This is the story of the old fella who picked up some creek land, some bottom land and along the creek. And it was rocky, and it was covered with brush. And he started in, hauling the rocks away and cleaning out the brush and then harrowing and fertilizing and planting. And he had a truly great garden spot there. And one day, one Sunday morning after church, he said to the minister, when the service was over, he'd kind of like to have him come out. He'd like to have him see what he'd been doing. Well, the minister came out on a Sunday afternoon, and he took him down there and showed him this. Well, the minister was impressed. He said, "I've never seen such melons. God has truly blessed this land." And he said, "Look at this corn; how high it is." He said, "The Lord—well, the Lord has been good." And he went on in that vein, and the old boy was getting more and more nettled about this. And finally he interrupted, and he said, "Preacher, I wish you could have seen this place when the Lord was doing it by himself." [Laughter]

This conference today is just one sign that in the area of education America is no longer just waiting for things to happen. We've come a long way from where we were 4 years ago, when our National Commission on Excellence in Education issued its report card on American schools called "A Nation at Risk." The Commission found that high school students were scoring lower on achievement tests than at any point in the past 25 years—that's 13 percent of all 17-year-olds were functionally illiterate—and the American students ranked last among industrial nations on 7 of 19 academic tests. "A Nation at Risk" galvanized a citizens' movement for educational reform.

This movement has gone ahead at every level, from local communities to statehouses to the Federal Government. And the Governors have been out in front in every State in trying to make the improvements that must be made. Our Governors have been

among the most important leaders in this, including those Governors who are here today. This conference and the Governors' report, "Time for Results," grew out of that movement, a movement that has produced a broad consensus on what needs to be done. And part of that consensus has been that more money is not the key to higher quality. The sixties and seventies were decades of rising spending but falling SAT scores. And then it turned out that a number of States—for example, New Hampshire—spent only modestly on education, but had among the Nation's most effective schools. Another part of the consensus is that wealth and status in a community do not guarantee good schools or their absence mean schools will be bad. Inner-city schools in poor neighborhoods, like those in East Harlem District 4 in New York City and Charles Rice Elementary in Dallas, stand among America's best.

The secret to educational quality is not in the pocketbook; it's in the heart. It's in the simple dedication of teachers, administrators, parents, and students to the same basic, fundamental values that have always been the wellspring of success, both in education and life in our country. You don't need schools filled with high technology to give children a good education. You need schools that set high standards and pay attention to the basics of reading, math, science, language, and the meaning of our sacred national heritage. You need orderly schools that assign homework. You need schools with strong principals who have a sense of mission. You need committed teachers who lead students to do their best and keep regular tabs on progress. You need schools that teach a sense of right and wrong. And you need parents and communities that care.

Basic skills, standards, discipline, work, family support, ethical principles—this is the new American consensus on the secret to quality education. And forgive me for saying so, but the only surprise here is that it's new. Plato would have recognized such "secrets;" so would Confucius, Matthew Arnold, and Benjamin Franklin. And yet these so-called secrets were new in most places, but not in Columbia. Last week members of my staff came out here for a

day. Columbia has a remarkable number of outstanding schools.

Again and again, I found out my staff was asking principals and administrators: "Why? What's made the schools here different over the years?" And one frequent answer was that Columbia never accepted the so-called reforms of the sixties and seventies. This system stuck to basics and kept high academic standards when others were turning to fads like minicourses, grade inflation, and abolishing basic requirements. And one of the worst of those so-called reforms was value-neutral instruction.

Yes, too often in the decades of declining achievement, we heard school officials say that teaching right and wrong was none of their business. A story about this appeared in the newspapers some time ago. A guidance counselor asked a class what they should do if they found a purse with \$1000 in it. Well, the class decided that returning it with the money would be neither right nor wrong; it would be just dumb. And when they asked the counselor what he thought, he said he wouldn't force his values on them. "If I come from the position of what is right and what is wrong," he told the reporter, "then I'm not their counselor." Well, I'm not sure what he thought he was.

Now, let me say I don't believe the students in that class were typical of America's young people. We have the best young people today we've ever had. I have a hunch they want more attention given by schools to ethical standards, not less. After all, in an area related to values, drugs, they've been miles ahead of most adults. With many adults saying that taking drugs was a matter of doing your own thing, young people were telling us that drug abuse was the most serious problem facing their schools. A while back, a student in California asked Nancy what to do when drugs were offered, and she answered, "Just say no." Today there are more than 12,000 Just Say No clubs across the country, and there's one here at Hickman High. So, I believe young people do want to hear about values and standards of right and wrong, and they want to hear about them from adults.

Some adults ask: Well, what values would you teach? Well, how about the Judeo-Christian ethic? It's as simple as the Ten Commandments and as enduring as the Scriptures. And here are some samples: "Love thy neighbor as thyself." "Honor thy father and thy mother." And, yes, "Thou shalt not steal." I've dwelt on values for a reason. Part of it is that standards of right and wrong are essential to any life that is lived well and should be a part of education. It's just this simple: Students with strong values do well in school. But also, a school is a community, and the Judeo-Christian ethic is a prescription for a happy and productive community, city, State, or nation. Getting back to values is part of getting back to basics. It's part of preparing our country for the 21st century. And it's basic to what every school should do for every child in every classroom in America.

Since "A Nation at Risk" came out 4 years ago, Governors, as I said, have been leaders in the return to the fundamentals of what works in education. Many States have raised education standards. Almost every State has increased either promotion, high school graduation, or college entrance standards, or college exit requirements. Several States have increased them all. Many States have also worked to improve the quality of their teachers. Missouri has started a career ladder program and gives special scholarships and loans to encourage bright students to become teachers and, together with many other States, has given teachers raises. Utah also has begun a career ladder program, as we were told, and has pioneered the use of computer and satellite technology in teaching.

And States and school districts are experimenting, which is why we came here today: to hear about experiments in the 16 districts in the 8 States that are part of the National Governors' Association program for improving the quality of education. Here in Columbia, one test involves getting parents involved in early education of their preschool children. Oak Ridge, Tennessee, is working to broaden the professional experience of both teachers and administrators. And in the White Mountains Regional District of New Hampshire, they're using computers to analyze student progress as well as

the strengths and weaknesses of curricula and textbooks.

Well, let me say a little bit about what we're doing in Washington. We've proposed restructuring some of our programs to give States and schools more flexibility and to make the programs more effective. But we know that 93 percent of the money for education comes from States and cities. The Federal Government provides less than 7 percent. So, the most important thing it can do is help the teachers, administrators, and parents. Reports like "What Works" and "Schools Without Drugs" are crucial; sound information is crucial. Education suffered when the Federal Government tried to give too much direction to local schools. Yes, the Federal Government tried to buy much too much for its less than 7 percent of funding. Some seem to think that education is best directed by administrators in Washington. Well, I say the American people know better than anyone in Washington how to fix their own schools.

A few themes run through all the many changes and experiments of the last 4 years, and those are the common-sense themes of getting good teachers and good principals, working with parents, focusing on the basics, and measuring the results. And these themes all add up to the simple goal of knowing where America wants education to be by the year 2000. Getting what America wants and needs—it's like the story of the three fellows who went into a restaurant. I wanted to tell you one last story before I finished. *[Laughter]* They were ordering their dinner, and one of them ordered a glass of milk. But he told the waitress that he'd been in there the week before, ordered a glass of milk, and he wanted a clean glass this time. Well, the other two also decided to order milk. When the waitress came back with the three glasses of milk, she said, "Now, which of you wanted the clean glass?" *[Laughter]*

By being clear about what we want and what works, we've stopped the slide in SAT scores. They're on the rise again. By 1990 let's reduce by one-quarter the 40 percent of 13-year-olds reading below skill level. By the year 2000 let's have everyone reading at their skill level. By 1990 let's resolve that

SAT scores will have made up half the ground they've lost, and by the year 2000 let's have them exceed their 1963 record high, which still stands. And finally, by the year 2000 let's raise literacy levels so that every American can speak, read, and write English and fully participate in the opportunities of our great country. I brought Secretary Bennett along with me today. And, Bill, I'm going to give you a little homework assignment. In April 1988 it will be 5 years since we issued "A Nation at Risk," and that's when I'd like you to issue a new report telling us how far we've come and what still needs to be done, what reforms have worked, and what principles should guide us as we move ahead. We need milestones on our road to the 21st century, and in education this report will be the first.

You know, earlier today I visited Fairview Elementary School. It's another of the model schools in this district. I saw what a fine principal, like Fairview's principal Dr. James Wells, and a dedicated and talented staff can mean to children in the early years of learning. I wasn't too surprised that Fairview is a model school. You see, one of the teachers there and I go way back, and I know she's great. Miss Joy Underdown taught my son Ron when he was in nursery school and kindergarten a few years ago. You know it's a few years ago. [Laughter] But I saw how the children at Fairview are

learning through the use of computers. I even had a few words to say to a sixth grade civics class. I'm a little better in civics than I am on computers. [Laughter] I haven't learned to use a pocket calculator yet. [Laughter] Wouldn't do any good with what Congress is doing. [Laughter]

Well, today I've talked about preparing America for the 21st century. Well, the kindergarten children I saw today at Fairview will graduate from high school in the year 1999. This year's high school graduates will spend most of their working lives in the 21st century. In the life of a man or a woman, or the life of a nation, the 21st century's but a short, short time away. If we begin to prepare for it now, it can be the beginning of America's greatest century, a time when Americans scale peaks of opportunity and achievement that we didn't dare dream of reaching before. Yes, we can set sail on new oceans of challenge and reach new continents of hope. You are the pathfinders. You are the navigators. So, today let's set our compasses by the fixed star of basic skills and enduring values, and start out the new century together.

Thank you, and God bless you.

Note: The President spoke at 2:20 p.m. in the auditorium of Hickman High School. In his opening remarks, the President referred to Secretary of Education William J. Bennett.

Executive Order 12590—National Drug Policy Board March 26, 1987

By the authority vested in me as President by the Constitution and the laws of the United States of America, including sections 872, 873, 1111, 1112, 1113, 1114, 1202, and 1203 of title 21 of the United States Code, and in order to coordinate the performance of all drug abuse policy functions of the Federal government, it is hereby ordered as follows:

Section 1. Establishment. (a) There is hereby established the National Drug Policy Board ("the Board").

(b) The Board shall be composed of the following members:

- (1) the Attorney General, who shall serve as Chairman;
- (2) the Secretary of Health and Human Services, who shall serve as Vice Chairman;
- (3) the Secretary of State;
- (4) the Secretary of the Treasury;
- (5) the Secretary of Defense;
- (6) the Secretary of the Interior;
- (7) the Secretary of Agriculture;
- (8) the Secretary of Labor;

- (9) the Secretary of Housing and Urban Development;
- (10) the Secretary of Transportation;
- (11) the Secretary of Energy;
- (12) the Secretary of Education;
- (13) the Director of the Office of Management and Budget;
- (14) the Assistant to the President for National Security Affairs;
- (15) the Director of Central Intelligence;
- (16) the Chief of Staff to the Vice President;
- (17) the Director of the White House Drug Abuse Policy Office; and
- (18) such other members as the President may, from time to time, designate.

Sec. 2. Functions. (a) The Board shall facilitate the development and coordination of national drug policy and shall coordinate activities of Executive departments and agencies to reduce the supply and use of illegal drugs, including international activities, enforcement, prevention and education, treatment and rehabilitation, and research relating to illegal drugs.

(b) In furtherance of its responsibilities, the Board shall:

(1) review, evaluate and develop United States Government policy, strategy and resources with respect to illegal drug law enforcement, prevention and education, treatment and rehabilitation, and research efforts, including budgetary priorities and national plans and strategies;

(2) facilitate coordination of efforts of all Executive departments and agencies to halt national and international trafficking of illegal drugs and to reduce drug abuse;

(3) coordinate the collection and evaluation of information necessary to implement United States policy with respect to illegal drug law enforcement and to the reduction of drug abuse; and

(4) provide policy guidance to the agencies and facilitate resolution of differences in this area concerning interagency activities and other matters affecting two or more agencies.

(c) In order to help coordinate the activities of Executive departments and agencies with responsibility for drug law enforcement and drug abuse reduction, and to supervise implementation of the determinations of the Board, the Chairman shall:

(1) advise the Board in matters concerning its responsibilities;

(2) make recommendations to the Board for the coordination of drug enforcement and drug abuse reduction activities;

(3) correlate and evaluate intelligence and other information to support the activities of the Board;

(4) act as primary advisor to the President and the Congress on national and international programs and policies and the implementation of those policies; and

(5) perform such other duties as the President may direct.

(d) The Board shall carry out all duties and responsibilities of the National Drug Enforcement Policy Board, as set forth in Chapter XIII (The National Narcotics Act) of Title II of Public Law 98-473.

(e) Nothing in this Order shall be deemed to affect the authorities or responsibilities of the Office of Management and Budget, or any Office or official thereof.

Sec. 3. Coordinating Groups. The Board shall establish a Drug Enforcement Coordinating Group and a Drug Abuse Prevention and Health Coordinating Group. The membership and chairman of each Coordinating Group shall be designated by the Chairman of the Board.

Sec. 4. Conforming Amendments. (a) Section 1 of Executive Order No. 12368 is amended to provide as follows:

"The Office of Policy Development has been assigned to assist the President and the National Drug Policy Board in the performance of the drug policy functions contained in Section 201 of Title II of the Drug Abuse Prevention, Treatment, and Rehabilitation Act, as amended (21 U.S.C. 1111). Within the Office of Policy Development, the Director of the Drug Abuse Policy Office shall be primarily responsible for assisting the President and the Board in the

performance of those functions.”

(b) Section 2 of Executive Order No. 12368 is amended by deleting “Director of the Drug Abuse Policy Office” and inserting in lieu thereof “National Drug Policy Board” and by deleting “he” and inserting in lieu thereof “the National Drug Policy Board.”

RONALD REAGAN

The White House,
March 26, 1987.

[Filed with the Office of the Federal Register, 10:31 a.m., March 27, 1987]

Remarks on Signing the Message to the House of Representatives Returning Without Approval the Surface Transportation and Uniform Relocation Assistance Act of 1987

March 27, 1987

The President. If the American people need any further proof as to who’s responsible for the deficit, all they have to do is look at this \$87½ billion budget-busting highway and transit bill passed by Congress last week. The bill’s a textbook example of special interest, pork-barrel politics at work, and I have no choice but to veto it.

In doing so, let me stress that I’m not only willing but anxious to sign a responsible bill to continue highway and transit programs. And, in fact, the Secretary of Transportation, Elizabeth Dole, at my direction, has drafted legislation that addresses our most serious objections. The Congress need only pass this cleaned-up version, send it down next week, and I’ll sign the bill within the hour.

I also want to reaffirm my strong support for allowing the States the authority to return to the 65-mile-an-hour speed limit. It’s long past due. But I’m not going to sacrifice this country’s economic well-being, and that’s the issue—jobs and economic growth. And it’s time for me to start writing. And that is the veto on top of the bill.

Reporter. Are you going to give the bad news to the Japanese today—retaliation?

The President. I don’t know just what

time we’re making that, but I think we’re going to be speaking on that subject pretty soon.

Q. Are you going to do it?

Q. Are you worried that the question yesterday asked by Heather Watson took attention away from your education message?

The President. I’m worried that I seem to be the only one that interpreted the question correctly. I am convinced in my own mind that she asked specifically about the trouble and was the cause worth it. And I answered in that way. I was shocked and surprised to find that the other guy, he thought that there—she was just asking generally about is the whole job worth it. And if I’m wrong, I was wrong. But I believe that I answered her question; as a matter of fact, I heard the word Iran.

Note: The President spoke at 11:01 a.m. in the Oval Office at the White House. The reporter’s final question referred to a question asked by Heather Watson, a student at Fairview Elementary School in Columbia, MO, on March 26. A tape was not available for verification of the content of these remarks. H.R. 2, passed over the President’s veto on April 2, was assigned Public Law No. 100-17.

Message to the House of Representatives Returning Without Approval the Surface Transportation and Uniform Relocation Assistance Act of 1987

March 27, 1987

To the House of Representatives:

I am returning herewith without my approval H.R. 2, the "Surface Transportation and Uniform Relocation Assistance Act of 1987." I want to make clear that I strongly favor an adequate and fiscally responsible Federal-aid highway and transit program, and I support the provisions in H.R. 2 that would provide essential funds for legitimate transportation construction and safety projects. I also support allowing the States to raise their speed limits on rural interstate highways to 65 miles per hour. However, the bill authorizes excessive funding levels of \$87.5 billion over 5 years, \$10.1 billion more than my original request and more than is brought in by highway user taxes. It includes unjustifiable funding for narrow, individual special interest highway and transit construction projects, and it unfairly distributes transit funds. All of these reasons force me to veto H.R. 2.

H.R. 2 is an unsound bill. It represents a failure to exercise the discipline that is required to constrain Federal spending, especially pork barrel spending. I remain firm in my commitment to the American people to hold down Federal spending, and I ask the Congress to join me in that commitment by promptly enacting a bill that is consistent with the need for fiscal discipline.

In vetoing H.R. 2, I recognize that the States are rapidly running out of highway funds and that legislation is necessary to make funds available for the 1987 construction season. I am committed to that goal. Therefore, I was deeply disappointed when the Congress failed to pass an acceptable bill before it adjourned last year. The Administration transmitted its own bills to the Congress in January so that funds could be made available promptly to the States for legitimate projects. I am ready with an improved and acceptable proposal that I urge the Congress to enact without further delay. This proposal does not include special "pork barrel" projects, and provides a

fair and equitable distribution to States of both highway and transit funds.

Some of the unaffordable provisions in H.R. 2 include add-on funding for 152 highway special interest projects. The 5-year Federal cost of the 152 highway projects is estimated to be \$1.4 billion, and nearly \$900 million of this amount is not subject to any spending controls. The total cost to complete these highway projects is estimated to be \$5.5 billion, and they have not even been selected through the established Federal-aid highway program mechanism that relies on the expertise of State and local officials. In fact, there is virtually no hearing record and related analyses regarding the merits of these projects. The States, not the Congress, should determine their highway program needs.

The expansion of the scope of the Boston Interstate projects eligible for interstate highway funds would increase the Federal cost to complete the Interstate System by \$1.1 billion. This provision is unfair because, for all other States, the Interstate System was closed to add-ons in 1981.

The direction in Title III to fund the Los Angeles Metrorail project also grossly distorts funding priorities. The provision would require that up to \$870 million, or 14 percent, of the fuel taxes paid by motorists for the national transit program be spent in one city. Moreover, Los Angeles has not decided where to build the project, and the environmental review process is incomplete. The Department of Transportation should not be statutorily required to execute a new contract or make available additional money to Los Angeles or any other specific city, beyond amounts already agreed to by the parties.

Since 1983, over \$4 billion collected from motorists in fuel taxes has been authorized for transit programs. Because these funds are not distributed by formula, this revenue has not been distributed equitably to each

of the States. For example, in 1986, eleven cities received over 80 percent of the funds made available that year.

We must provide for a more equitable distribution of the fuel taxes that are collected from motorists and reduce the level of General Funds going to mass transit. An increase in the required local share for major mass transit projects is also needed to encourage the planning of more economically viable projects. In addition, I am opposed to the sharp increase in certain excise taxes contained in this bill.

Finally, H.R. 2 contains "Buy America" provisions that would be harmful to our trading interests. The increase in the domestic content requirements related to transit projects and the requirement that foreign rolling stock must be 25 percent cheaper than U.S. products are unwarranted. The changes invite retaliation against U.S. exports that are produced and marketed by U.S. businesses.

I am committed to the expeditious enactment of authorization legislation so that funds will be available for use during the impending construction season. To make that point I have made an alternative proposal. Let me briefly describe what my proposal would do. With regard to highway programs, we would authorize \$66 billion over 5 years; the same levels provided in

the Senate-passed bill. Compared to H.R. 2, our bill would provide a more fair distribution, with more money going to States through regular program formula distributions. States would be able to fund the projects identified in H.R. 2 from their allocation of highway funds, if they so choose, but not with add-on funding. There would be no special treatment for large projects.

We would apply the equity principle to transit programs as well. We would authorize \$16.1 billion over 5 years, increase the local match for major projects, and would promote a fairer distribution of the gas tax receipts that are collected in all States but that now only benefit a few cities. We would not spend the taxpayers' dollars on high cost projects of dubious merit like the expansion of Los Angeles Metrorail.

In short, this is the way a reasonable and fair highway and transit bill should be constructed. Now, there is no reason why the Congress cannot send me a bill that I can sign quickly before the spring construction season is any further along.

RONALD REAGAN

The White House,
March 27, 1987.

Note: H.R. 2, passed over the President's veto on April 2, was assigned Public Law No. 100-17.

Statement on Returning Without Approval the Surface Transportation and Uniform Relocation Assistance Act of 1987 *March 27, 1987*

If the American people need any further proof as to who is responsible for the deficit, all they have to do is look at the \$87.5 billion budget-busting highway and transit bill passed by Congress last week. This bill is a textbook example of special interest, pork-barrel politics at work, and I have no choice but to veto it. But in doing so, let me stress that I am not only willing but anxious to sign a responsible bill to continue highway and transit programs.

In fact, the Secretary of Transportation,

at my direction, has drafted legislation that addresses our most serious objections. The Congress need only pass this cleaned-up version, send it down here next week, and I will sign the bill within hours.

I also want to reaffirm my strong support for allowing the States the authority to return to the 65-mile-an-hour speed limit—it's long past due. But I'm not going to sacrifice this country's economic well-being. And that is the issue—jobs and economic growth. I think there is a solid chance here

for bipartisan cooperation as long as we remember such cooperation is a two-way street. The administration and the Congress have made solemn pledges to the American people about taxes, spending, and deficit limits that must be honored.

There is a world of difference between legitimate funding for badly needed highway construction, which we wholeheartedly support, and the expensive, special interest projects that lard this bill. I'm not the only one who doesn't like these blatant special interest politics. The editorial pages of the Wall Street Journal, the New York Times, the Washington Post, and numerous other papers, all have pointed out serious problems with this bill. Let me give you just a few of many reasons why: the so-called demonstration projects, for example. One would construct three parking facilities to, quote, "demonstrate the effectiveness of construction of parking facilities to reduce on-street parking congestion . . ." The only thing these projects demonstrate is the ability of Congressmen to bring home the ham hocks.

At the same time, the funding for most of these projects is not subject to normal spending controls; moreover, completion of these projects will likely cost several billion dollars beyond funds identified in the bill. And a few favored cities, with politically powerful Congressmen, get hugely disproportionate amounts—billions—while other

communities are cheated of their fair share. I just have to think that's a disgrace to the American way of governing. Over the last several years I have had many pledges of support from Congressmen and Senators who have promised to help cut our deficit and back up my veto of overweight spending bills. Today I'm taking them all up on it. I'm asking them to hold the line, right here and right now, against deficit spending.

Now, there *is* important, legitimate highway construction that does need to be carried out. As I mentioned, all we have to do is clean up this bill, pare away the waste, knock out the politically motivated spending, and I'll sign this highway bill in hours. But we have made a pledge to the American people: it's called Gramm-Rudman-Hollings, and we're not backing off that pledge. Neither are we going to raise taxes or tax rates, and that's a promise. Congress can't have it both ways. They can't continue to decry budget deficits while voting for budget-busting bills.

If Congress is institutionally incapable of controlling its spending urges, it's time for reform. Let's give the President what Governors have, the line-item veto. And while we're at it, let's pass a balanced budget amendment to the Constitution, so America can have some peace of mind.

Note: H.R. 2, passed over the President's veto on April 2, was assigned Public Law No. 100-17.

Statement by the President on Soviet-United States Intermediate-Range Nuclear Force Reduction Negotiations

March 27, 1987

Yesterday marked the close of the special extended session of negotiations between the United States and the Soviet Union on intermediate-range nuclear forces (INF), a part of the nuclear and space talks in Geneva. We extended this session beyond the March 6 closure of the other NST negotiating groups in order to make further progress toward our long-held goal of deep, equitable and effectively verifiable reduc-

tions in U.S. and Soviet longer range INF (LRINF) missiles, with the ultimate objective of their complete global elimination.

On March 4, at my direction, our U.S. negotiators tabled a draft INF treaty text which follows the formula that General Secretary Gorbachev and I agreed upon at our meeting in Iceland in October 1986. We have now presented and explained in detail to the Soviets our draft treaty text, which

calls for reductions to an interim global ceiling of 100 warheads each on U.S. and Soviet longer range INF missiles, with none in Europe, along with constraints on shorter range INF missiles and provisions for effective verifications.

United States and Soviet negotiators have established working groups to facilitate discussion of the draft treaty which we put forward, and they are working to develop a joint text. These discussions with the Soviets have been businesslike and productive. I want to emphasize that our position on these negotiations is based on very close consultations with our friends and allies in Europe and Asia, whose security is most directly affected by the Soviet INF buildup. Our allies, moreover, made substantial contributions to our proposals.

We and our allies have made clear to the Soviets that an INF agreement must be effectively verifiable. As I have pointed out previously, of the issues remaining to be resolved, none is more important than verification. Our draft treaty text, therefore, includes a comprehensive verification regime to ensure compliance with the treaty. We have three key objectives in seeking such verification provisions:

- to enhance confidence in the agreement, which in itself will contribute to greater security and stability in Europe and Asia;
- to deter violations by increasing the risk of detection; and
- to permit quick detection of any troublesome activities, thereby providing timely warning of a potential or real threat to allied security.

On-site inspection will be an important element of any effective verification regime. Such inspections will assist in verifying the initial exchange of data on INF systems and the subsequent destruction, dismantlement and conversion of LRINF systems, and will play an important role in ensuring continued compliance with treaty limitations. Another key provision of our draft text concerns shorter range INF (SRINF) missiles. We and our allies have made clear since 1981 that constraints on SRINF are essential in an initial INF agreement so that the Soviet Union cannot undercut LRINF limitations through a buildup

in shorter range INF missiles. These constraints, therefore, must provide the United States with a right to equality with the global level of deployed Soviet SRINF systems.

At Reykjavik, General Secretary Gorbachev and I reaffirmed the important principle agreed by our negotiators during the INF negotiations of 1981–1983. Namely, that an interim INF agreement must include constraints on SRINF systems in order to “ensure the viability and effectiveness of an agreement on longer range missiles.” In recent weeks, however, the Soviets have backtracked from this position and are now saying that the question of shorter range INF missiles should be taken out of the current INF negotiations and be dealt with instead in separate negotiations. This new Soviet position on shorter range missiles would allow the Soviet Union a continued monopoly of these systems and would leave them free to increase their existing force. This clearly is not acceptable to us or our allies.

The crucial issue now is whether the Soviet Union is prepared to accept equal constraints on SRINF missiles in the context of an initial INF agreement, or whether it will insist on maintaining superiority over us in this important area and, with this superiority, the ability to undercut any INF agreement. Since the United States obviously cannot permit such an outcome, we will continue to insist that equal constraints on shorter range INF missiles must be an integral element of an initial INF treaty. I remain fully committed to achieving an equitable and verifiable INF reductions agreement. For this reason, I welcomed Mr. Gorbachev’s recent statement on INF, which removed an obstacle to progress that the Soviets had imposed at Reykjavik. The United States then put forth a comprehensive, realistic draft treaty for Soviet consideration. Now is the time, therefore, for the Soviet Union to live up to its previous commitments on INF and to come to terms on an equitable agreement.

Finally, let me say a word about the strength and unity of our alliances. It was, above all, NATO’s cohesion in carrying out its 1979 two-track decision on INF that

helped to bring the Soviets back to the negotiating table and persuaded them to negotiate seriously. Our own commitment to the security of our friends and allies in both Europe and Asia, all of whom have been threatened by Soviet INF missile deployments, remains as strong as ever. We will continue to work closely with them, as we seek Soviet agreement to equitable and verifiable INF reductions.

The United States and the Soviet Union have agreed to begin round eight of the

NST negotiations on April 23. Thus, the INF negotiating group, along with the strategic arms and defense and space negotiating groups, will resume their work on that date. The U.S. and the Soviet Union have agreed at the same time, however, that this date could be adjusted when Secretary Shultz and Soviet Foreign Minister Shevardnadze meet in Moscow on April 13–15 to discuss these and other issues on the broad U.S.-Soviet agenda.

Statement on the Japan-United States Semiconductor Trade Agreement

March 27, 1987

I am today announcing my intent to raise tariffs on as much as \$300 million in Japanese exports to the United States. I am taking these actions in response to Japan's inability to enforce our September 1986 agreement on semiconductor trade. Regrettably, Japan has not enforced major provisions of the agreement aimed at preventing dumping of semiconductor chips in third country markets and improving U.S. producers' access to the Japanese market. I am committed to the full enforcement of our trade agreements designed to provide American industry with free and fair trade opportunities.

Under the agreement, which was negotiated to resolve a series of unfair trade practice cases brought by my administration and American industry, the Government of Japan agreed to prevent Japanese semiconductor producers from selling below cost in

markets outside Japan and to provide additional access in Japan for foreign producers. Despite monthly consultations with the Japanese since the agreement was signed and repeated assurances that all aspects of the agreement would be fully implemented, the most recent evidence we have demonstrates that dumping has continued. Moreover, American firms' access to the Japanese market has not improved from last fall's levels.

The Government of Japan has, in recent days, announced a number of actions aimed at improving their compliance with the agreement. I am encouraged by these steps, and that is why we are not terminating the agreement. When the evidence indicates that third-country dumping has stopped and U.S. firms are enjoying improved access to the Japanese market, I am prepared to lift these sanctions.

Appointment of Rhett B. Dawson as Assistant to the President for Operations

March 27, 1987

The President today announced the appointment of Rhett B. Dawson as Assistant to the President for Operations. Mr. Dawson will manage the Office of the Staff

Secretary, the Office of Administration, and the Military Office.

Mr. Dawson served as Director of the President's Special Review Board that ex-

amined the Iran-*contra* matter and was Director of the President's Blue Ribbon Commission on Defense Management. He also served on three congressional committees.

Mr. Dawson graduated from Illinois Wes-

leyan University (B.A., 1966) and the Washington School of Law (J.D., 1969). Mr. Dawson is married and has one daughter. He was born in Canton, IL, on December 9, 1943.

Radio Address to the Nation on Deficit Reduction

March 28, 1987

I went up to Capitol Hill this week where many Congressmen were wearing a button with the number "108 in '88" on it. And therein lies a story, and today I'd like to tell you about it. The group was the House Republican Conference, and the number stood for the 1988 fiscal year's deficit target: \$108 billion. Now, before you anticipate lots of Washington talk about budgets and deficits, don't—as we used to say in the old days of radio—touch that dial. Believe me, this issue concerns your job and America's prosperity; it's about keeping inflation low and making sure government doesn't take any more of your take-home pay.

You see, in 1985 the Congress made a solemn pledge to you, the American people, when it decided on \$108 billion. After years of wild spending and the accumulation of a trillion-dollar debt, Congress finally agreed to a long-term plan to shrink the Federal budget and, over the course of 5 years, to actually stop deficit spending. Yes, that's right! Under this legislation, called Gramm-Rudman-Hollings for the three Senators who proposed it, the Federal Government has actually adopted a feasible plan for not spending more than it takes in—for balancing the Federal budget. You could feel the planet shaking!

But this, of course, came only after a long, hard struggle. When we came to Washington in 1981, the momentum of the Federal spending juggernaut seemed unstoppable; and year after year Congress, through the higher inflation caused by Federal borrowing or through higher taxes, saddled the American people with the bill. But over the last 6 years, we changed the terms of the entire debate. For the first time,

even the big spenders in the Congress were talking about the deficit like the problem that it is. What a breakthrough that was to those of us who remember Congressmen and economists who actually thought we could spend ourselves rich—that's just like the fellow who thought he could drink himself sober. So, when Gramm-Rudman-Hollings was adopted, it broke decades of bad tradition, and many were hopeful Congress would keep its promise and hold to the deficit targets.

But you know Congress and spending. Only this week the Congress sent me a highway construction bill that was loaded with pork-barrel projects. I haven't seen so much lard since I handed out blue ribbons at the Iowa State Fair. It was \$10 billion overboard. I got out my veto pen and used it fast. I told the Congress to pare away the waste, to clean this bill up, get it back down to me within the week, and I will sign it within the hour; because America does need a highway bill in time for spring construction and one that restores authority for the 65-miles-per-hour speed limit. But not this one, not a budget-busting handout to the special interests that ultimately you, the American worker, will have to pay for.

And that's just the point: Gramm-Rudman-Hollings was not just a pledge for fiscal responsibility but a pledge to keep America's economy growing and creating new jobs. We need to remember that one of the reasons the economy is prospering and the financial markets are responding is the message the Gramm-Rudman-Hollings plan sends to potential investors and entrepreneurs, a message that says it's safe and smart to invest in our economy, to create

new jobs, because government is going to hold down spending and prevent inflation and tax increases from returning. So, you do have a tremendous personal stake in this budget battle and Congress' pledge to hold down the deficit. I've said so often that the reason things changed in America is because those of you at home made those in Congress who didn't see the light on economic issues at least feel the heat. Well, I'm going to be needing your help again.

It would be a shame to lose our momentum now; on inflation and taxes and economic growth, we've accomplished so much. In fact, in the future I'll be talking about another development in saving tax dollars and making the Government more efficient. Budget Director Jim Miller and his deputy Joe Wright have been briefing me on the results of our governmentwide

management project, a project that's saved our citizens over 600 million man-hours in filling out forms and redirected \$84 billion in Federal money away from wasteful overhead into useful service and purchases. We've eliminated 30,000 pages of Federal regulations. But progress on this front or any other is gravely jeopardized. I need your help now to tell Congress to honor their pledge to the American people and get the highway construction bill under the Gramm-Rudman-Hollings limits. We must never return to the bad old days of higher spending and runaway inflation. So, let's keep the number on the button; remember "108."

Until next week, thanks for listening. God bless you.

Note: The President spoke at 12:06 p.m. from the Oval Office at the White House.

Remarks at the 1987 Reagan Administration Executive Forum March 30, 1987

Well, Vice President Bush and distinguished members of the Cabinet and Chief of Staff Baker, and all of you, it's an honor to be able to join you here today on this our sixth get-together since that January day in 1981 when we started a revolution. Permit me to begin today by welcoming those who've joined our team in recent weeks and months, those in the audience and, yes, those here on the dais.

Seeing these new faces reminds me of—would you mind if I told an old story? [Laughter] It's that one about the fellow hiking on the mountain trail. And the rocks gave way, and he fell and grabbed the root of a tree that was sticking out and hung there. And he looked down at what was below him and then looked up above and said, "Oh, Lord, save me." And a voice boomed back, "My son, have faith and let go." Well, he took another look at those roots that he was gripping and then down at the rocks below him and looked back up and said, "Is there anybody else up there?" [Laughter]

Now, those of you who've heard me tell this story before think that it ends there, and it always has before. But I have to admit, until a couple of weeks ago, as I say, it did; and then I discovered the way this story really ends: He looked at the roots he was clutching and then down to the canyon floor again. Then he looked back up to heaven and says, "Is there anybody else up there?" And there was a pause, and a voice boomed out, "Come to think of it, my son, you might try getting in touch with Howard Baker." [Laughter] And then the voice added, "And if you have any trouble with the press, just call Senator Al Simpson." [Laughter]

But we're here today to talk business. We know the achievements of the past, and we're mighty proud. Real family income is up, inflation last year at the lowest level in over 20 years, a greater percentage of our work force employed than ever before in our national history, and yes, the creation of more than 13 million new jobs. And of course this economic expansion still has

plenty of economists puzzled. You know economists; they're the sort of people who see something works in practice and wonder if it would work in theory. [*Laughter*]

In foreign relations our accomplishments have been just as profound. The rebuilding of our defenses—we've shown the Soviets that we're willing to negotiate genuine arms reductions, but at the same time, we're absolutely determined to stand for the cause of world freedom. In fact, since we took office, not 1 inch of territory has fallen to the Soviets, while one nation, Grenada, has been set free. Indeed, during our administration the world has witnessed a crucial turning point in the world struggle. From Afghanistan to Nicaragua, today the guerrillas fight not for communism but for freedom. And everywhere freedom-loving men and women, including those of us here today, stand with them in—well, if you'll permit me to use a word with special meaning—stand with them in solidarity.

I could go on and on listing achievements and the outstanding work the Department of Justice has done in helping me to nominate fine judges to the Federal bench, to the way the Department of Education has put our schools at the top of the national agenda. And in a sense, it would be only fitting for me to provide such a list, because each achievement is the result of your own hard work and spirit of sacrifice, your willingness to put up with the long hours, your ability to stomach the frustration and stick with it when you discover that it takes longer to make a change in Washington than you perhaps had thought it would.

But I think I know what's really on your minds today, and I know what's on mine: not the last 6 years but the next 2. And briefly this is our strategy: My friends, we're not about to fall on the ball and wait for the clock to run out. Instead, we're going to have the greatest fourth quarter in Presidential history. To begin with, you might have noticed that lately there's been a little trouble with the way the big spenders in Congress have been handling the budget. I have to admit legislation like the \$88 billion boondoggle of a highway bill sort of gives me a case of heartburn. How do I spell relief? V-E-T-O. [*Laughter*]

And then there are those in the other party who are clamoring for an increase in tax rates. You'll remember, of course, that it was just a little better than 2 years ago that one Presidential candidate promised not to raise taxes, while the other candidate promised that he would. And while I don't want to be immodest about this, it's true that the fellow who promised no tax increase carried 49 out of 50 States. Now, with less than 2 years to the next Presidential election, to see the other party once again demanding a tax hike—well, if you'll permit me, there they go again. [*Laughter*]

The truth is Congress must stick to its Gramm-Rudman-Hollings commitment, and do so without raising taxes. I intend to become personally involved in meeting the Gramm-Rudman-Hollings target, and that means working the telephones—something I've already started doing. In my case, though, I have to be a little careful, because our fine White House operators will go to any lengths to find people that I ask to speak with. It was quite early in my first term when I discovered that. I had made a call; I asked to talk to a certain Congressman. When he came on the line, I noticed that the connection didn't seem to be very good, and I kind of jovially said, "Well, where did we find you?" And he said, "New Zealand." [*Laughter*] And I said, "What time is it there?" And he said, "Four o'clock in the morning." [*Laughter*] You know, that's one vote I never count on any—[*laughter*].

But regarding the budget, there's a deeper problem than even Gramm-Rudman-Hollings, a problem with the institutions of government themselves. Simply put, the entire budget process has become a profound national embarrassment: every year, budget deadlines delayed or missed completely, monstrous continuing resolutions, billion-dollar hideouts for boondoggles and special interests. To tell you the truth, the whole process reminds me of the hit movie "The Little Shop of Horrors." [*Laughter*] The budget isn't exactly like the maneating plant in the movie. And it isn't mean, it isn't green, and it doesn't come from outer space. But it does say, "Feed me! Feed me! Feed me!" [*Laughter*]

One reason for this is that the Congress has been lumping more and more appropriation bills together, making it harder and harder for a President to exercise his veto power. This undermining of the President's veto power profoundly alters the constitutional balance of power that the Founding Fathers have set in place. And with the Budget Act of 1974, Congress further restricted the President's authority in the budget process. And remember, a President is the only single official in that process who represents the interests of the Nation as a whole, including the national interest in a limit on the overall size of the budget.

You know, this process that goes on has become so "Mickey Mouse" that one of our ladies in Congress, Lynn Martin, has had created a pin. She's heard me call it "Mickey Mouse." And the pin is Mickey Mouse with a bar indicating no across the front of it—"No Mickey Mouse"—and she's distributing them in the Congress.

You know, beginning in 1965 till 1980, in that 15-year period that launched the Great Society, the supposed War on Poverty—which poverty won—[laughter]—in those 15 years the budget went to almost 5 times what it had been, and the deficit went to 38 times what it had been. When it comes to the way that Congress spends, I'm reminded of Howard Baker's father-in-law, the late Senator Everett Dirksen. As he once put it: "A billion dollars here, a billion dollars there. Pretty soon it adds up to real money." [Laughter] So, let me just ask you: Isn't it about time we gave the President of the United States the same power already vested in the hands of 43 Governors—the power of a line-item veto? [Applause]

And consistent with this, we need a constitutional amendment requiring Congress to balance the budget. I've prodded Congress for 6 years, and now I intend to take our case to the people. Just 2 weeks ago I wrote to the minority leader of a State senate that was noting a call by the States for a constitutional convention—could give the balanced budget amendment a powerful boost. Thirty-four States would need to call for a convention to draft a balanced budget amendment to the Constitution. The number that have already done so is 32. We're that close. Now, I would prefer to

have the Congress do it. It would be less time-consuming and more certain. And I know you'll agree, on this, the bicentennial year of our Constitution, it would be only fitting—indeed, it is our simple duty—to restore the constitutional balance between the President and Congress that the Founding Fathers intended.

In foreign policy we must go forward with our Strategic Defense Initiative. And let me pause here to set the record straight: SDI is not now, nor will I ever permit it to become, a mere bargaining chip. I've said for a long time that the doctrine of mutual assured destruction, what's called the MAD policy, is downright immoral. We used to have agreements and rules of warfare in an earlier day under which noncombatants were protected by both sides in a war. And here, now the world is basing its security on weapons whose ultimate target is the non-combatant: the innocent people; the men, women, and children; the cities that would be destroyed.

Well, SDI represents an historic shift in military strategy away from a defense based upon the threat of retaliation toward a system that could actually prevent missiles from reaching us or our allies in the first place—in short, toward a defense that defends. And to those who argue that SDI is a so-called destabilizing influence, I would say only this: Today, were even a single missile to be launched against the United States, either accidentally or by some Third World dictator, a President would be powerless to prevent the massive loss of American life, powerless to prevent a Chernobyl of the sky. Destabilizing? It's this threat of nuclear accident or terrorism that is truly destabilizing. What it all comes down to is this: As President, I am profoundly aware that it's my first duty to see to the safety and defense of our nation. And there is no question in my mind but that this means moving ahead with SDI. Can I count on your support? [Applause] I just asked, "Can I count on your support?" But you didn't hear me, because you were busy telling me you were going to give it.

Now, there's another great issue before us in foreign affairs: the cause of liberty in Central America. And permit me to com-

ment for a moment upon the recent House vote in this connection. As you know, the House voted to withhold a portion of the aid to the freedom fighters that Congress approved last year. Of course I would have preferred the vote to have gone the other way, but to tell you the truth, after thinking it over, there's a sense in which I actually found the vote encouraging. In the first place, it was overturned by the Senate. But beyond that, the House vote took place during one of the more frustrating times of this or any administration. In the preceding 4 months, we had endured a relentless barrage, yet after 4 months of ceaseless attack, a change of just 18 votes would have won the day for the stand against Communist expansion in Central America. Now, I just have to believe that when it comes to providing the freedom fighters in Nicaragua with more of the assistance they so badly need we'll be able to find those 18 votes. The issue is clear. The choice is communism versus freedom, and I don't care what "60 Minutes" said last night about it. There's the fact that in recent years we've been reestablishing a bipartisan consensus of foreign policy. Democrats and Republicans alike have joined in supporting freedom fighters in Afghanistan, Africa, and Cambodia, and last year in Nicaragua.

Then there's one other factor. Come to think of it, it's a factor that's bound to have an effect on our entire agenda on Nicaragua and SDI, on budget reform and constitutional amendments, on laying the groundwork for excellence in the 21st century with welfare reform and a return to family values, on excellence in education, school prayer, and protection of the unborn, on our work to promote free and fair international trade, on our efforts to make this a healthier nation, including our plans for catastrophic health coverage and our campaign for a drug-free America. Just what is this last factor? Well, I'll be the first to say that we've been through some difficult times lately and that there was a period when I believed it best to remain silent

while we waited for a certain board to issue its report. But now we've heard from the Tower board, and we have a clear account of what took place instead of a barrage of speculation, assumptions, and rumors. We can get on with the business that brought us here and institutionalize the improvements that we've made, so that someone doesn't take us back down the spend-and-spend, tax-and-tax path we were on for a century or so. We've almost 2 years yet to go and the show ain't over until the fat lady sings. I won't even let her whistle. [*Laughter*]

I've just got to conclude with something. A gentleman sent me a letter the other day—and I mentioned a few words back there doing something for the American family—and this man told me a little account in his personal letter that I thought I'd pass on. It was Sunday morning. He wanted to read the Sunday paper, and his son, Billy, came at him with a baseball glove and ball and said, "Come on, Dad. Let's go out, and you play ball with me." Well, he wanted to read the paper. And he looked down, and there happened to be a picture of the map of the world on the front of the paper. And he cut it out, cut it into pieces, gave it to waiting Billy, and said, "Look, you see if you can put this map of the world together, and then I'll go out and play ball with you." He figured that would give him plenty of time to read the paper. Little Billy was back in 7 minutes—had the map all put together. And his father says, "How did you do that?" Well, he said, "Dad, on the back there was a picture of a family, and I found that if you put the family together the world takes care of itself."

Thank you all. Thank you for showing me this family is together.

Note: The President spoke at 11:33 a.m. at DAR Constitution Hall at the sixth annual Executive Forum for political appointees of the administration. "60 Minutes" was a news commentary television program.

Appointment of T. Kenneth Cribb, Jr., as Assistant to the President for Domestic Affairs

March 30, 1987

The President today announced his intention to appoint T. Kenneth Cribb, Jr., as Assistant to the President for Domestic Affairs. He will be responsible for implementing the domestic agenda for the White House. He will have direct liaison with the Office of Cabinet Affairs, the Public Liaison Office, and the Office of Policy Development.

Mr. Cribb has served on the Chief of Staff's transition team since early March.

Previously he served as Counselor to Attorney General Edwin Meese. Mr. Cribb was Deputy Assistant to the President, Assistant Counselor to the President, Assistant Director of the Office of Cabinet Affairs, and Staff Assistant.

He received a bachelor of arts degree from Washington and Lee University in 1970 and graduated from the University of Virginia School of Law in 1980.

Appointment of Edwin J. Feulner, Jr., as a Consultant to the White House

March 30, 1987

The President today announced his intention to appoint Edwin J. Feulner, Jr., as a consultant to the White House. He will work with the Cabinet and the White House staff to coordinate the administration's domestic agenda.

Dr. Feulner is the president of the Heritage Foundation, a Washington-based public policy research institution. He will continue in that position. Dr. Feulner serves as the Chairman of the United States Advisory Commission on Public Diplomacy. Dr. Feulner served as a consultant to White House Counsellor Edwin Meese and as an

adviser to other government departments and agencies. He is a former member of the President's Commission on White House Fellows, 1981-1983, and of the Carlucci commission on foreign aid, 1983.

Dr. Feulner has studied at the University of Edinburgh (Ph.D.), the London School of Economics (Richard M. Weaver Fellow), the Wharton School of the University of Pennsylvania (M.B.A.), Georgetown University, and Regis College (B.S.). He has received honorary degrees from Nichols College, Universidad Francisco Marroquin, Guatemala, and Hanyang University, Korea.

Remarks at the Welcoming Ceremony for Prime Minister Jacques Chirac of France

March 31, 1987

The President. Mr. Prime Minister, Madame Chirac, Mr. Foreign Minister, and distinguished guests, Nancy and I offer you our warmest welcome to the United States, to Washington, and to the White House. And we greet you, Mr. Prime Minister, not

only as the head of government of the French Republic, our nation's oldest ally in war and peace, but as a representative of the people of France, for whom the people of the United States have long had a special affection.

We only have to look around us this morning, if we could, to look beyond the White House lawn to the graceful monuments of George Washington and Thomas Jefferson, to be reminded [of] the historic struggles for freedom and liberty which have bound our nations together for generations. Indeed, the park directly across the street from the north entrance of the White House bears the name of a brave Frenchman who, as a young man, became a trusted aide and almost a son to George Washington, Lafayette.

As you know, Mr. Prime Minister, this year we Americans are celebrating the 200th anniversary of our Constitution. In doing so, we're rededicating ourselves to the aspirations of all men to live in freedom and peace, aspirations captured in that ageless document. It was written by Americans, of course; but today it is only right to point out that they were Americans—James Madison, Alexander Hamilton, and others—who had been influenced by the great names of the French Enlightenment, like Montesquieu, for one, and by the hopes for liberty and human rights so ardently expressed by the French people themselves.

Some months ago, Mr. Prime Minister, our two great nations celebrated the 100th anniversary of the Statue of Liberty, a gift from the people of France to the people of the United States. Lady Liberty, now beautifully refurbished, her torch rekindled, has rightly become cherished throughout the world as a symbol of human freedom. But even Lady Liberty, as magnificent as she is, would be nothing but an empty symbol had not the American and the French peoples, time and again, joined together in moments of peril, joined together in common sacrifice to preserve and defend freedom itself. Three years ago I stood on the windy beaches of Normandy and, as Frenchmen and Americans, recalled together the most perilous days of the Second World War. And this spring Americans will join in celebrating the 70th anniversary of the arrival in France of the American expeditionary force of World War I. Indeed, Mr. Prime Minister, from Yorktown to Belleau Wood, from Normandy to Beirut, Frenchmen and Americans have stood together and, yes, died together in the name of peace and

freedom.

Today we continue to face grave challenges together as we seek to ensure a safer world and a more prosperous future, one in which our peoples and those of other nations can live in still greater prosperity and freedom. We both understand that to achieve that end our friendship must remain deep, our alliance strong and bold. And we both believe that today it is the forces of freedom that are on the march.

You have a very busy day ahead of you, Mr. Prime Minister, one that I do not intend to delay. Nancy and I hope during your all too brief visit to talk of our common goals, but also to deepen the personal friendship with you and Madame Chirac and with your colleagues. Once again, we offer you and Madame Chirac our warmest welcome. And on behalf of all Americans, *soyez les bienvenus aux Etats-Unis* [welcome to the United States].

The Prime Minister. Mr. President, Mrs. Reagan, ladies and gentlemen, let me, first of all, Mr. President, tell you how really delighted my wife and I are to be here with you today among our American friends and our French friends. And let me first thank you, Mr. President, for having invited me to come on an official visit to the United States, where I stayed and worked, some 30 years ago, alas, when I was a young student just discovering this New World. And finally, let me convey to the American people the feelings of friendship, brotherhood, and admiration and affection that the French people have for them and also, Mr. President, the affection that the French people have towards you yourself and Mrs. Reagan. Feelings of brotherhood, yes, because our two countries have always been side by side in crucial moments of their history.

Three years ago, as you mentioned, Mr. President, you came to France to commemorate D-day in Normandy and to honor the resting places of so many young Americans who gave their lives to free France and Europe. And last year you celebrated, as you recall, the 100th anniversary of the Statue of Liberty, a gift of the French people, and especially a symbol of the American dream and of American reality. This year, almost 70 years to the day

after the United States went to war alongside France and its allies of World War I, I have come to tell you, Mr. President, this: France has not forgotten. When I go and pay tribute during my brief stay in Washington to the memory of General Pershing—a great man, a great soldier, and a great American—I shall be paying tribute to all of the American boys who fell on France's soil to defend my country against all kinds of hegemonies in 1917 and again in 1944. And now that I am here in the United States, there is something I want to tell you with all my heart, and that is this: Thank you, America. France has not forgotten. France remembers.

But, Mr. President, I have not come solely to convey this message of remembrance. I have come to tell you that we continue to uphold the same ideals of freedom, to be driven by the same will, to face the dangers that confront us all together: terrorism, war, hunger, poverty, new diseases, drugs, and yet other dangers. In the face of so many trials, so many threats, we

are resolved, as you are yourselves, to go on fighting and affirm the importance of our ideals. We are side by side in all these great struggles. Today, as we set forth on a technological adventure to conquer new fields of intelligence—biology and space—we must work together in an ever-growing spirit of trust, cooperation, and true market competition. We have to work together to face the challenge of the future. With these feelings and in this spirit, I am entering into these 2 days of talks that will enable us, I am sure, Mr. President, to find, together with American leaders, common guidelines for future action on the scale of the ambitions we share.

Note: The President spoke at 10:07 a.m. in the East Room at the White House. Prime Minister Chirac spoke in French, and his remarks were translated by an interpreter. In his opening remarks, the President referred to French Foreign Minister Jean-Bernard Raimond. Following the ceremony, the President and the Prime Minister met in the Oval Office.

Remarks Announcing the AIDS Research Patent Rights Agreement Between France and the United States

March 31, 1987

The President. Prime Minister Chirac and I are pleased to announce today an agreement that will foster international cooperative efforts in research, education, and the exchange of technology dedicated to the eradication of AIDS. An agreement has been reached between the Department of Health and Human Services and the Institut Pasteur which resolves the differences between the two over the patent rights for the AIDS antibody test kit. The two medical groups will share the patent, and each party will contribute 80 percent of the royalties received to establish and support an international AIDS research foundation. This foundation, which will also raise private funds, will sponsor AIDS-related research and will donate 25 percent of the funds that they receive to education and

research of AIDS problems in less developed countries.

This agreement opens a new era in Franco-American cooperation, allowing France and the United States to join their efforts to control this terrible disease in the hopes of speeding the development of an AIDS vaccine or cure. So, Mr. Prime Minister, Dr. Bowen, and Dr. Dedonder, we thank you all, and I hope this is just one of the many cooperative efforts between our two countries in the years ahead.

Jacques?

The Prime Minister. Well, the President said what should be said. I just want to add how glad I am about this agreement to fight against this terrific disease. We in the United States and France have very, very good and efficient scientists, and they will

now work together and also create a foundation to fight against AIDS. And it's, I think, a great step to be successful in this very important battle. And I'm very glad about it, and I thank very much the Department of Health of the United States and L'Institut Pasteur de Paris for all that they have done.

Note: The President spoke at 11:49 a.m. in the East Room at the White House. Among those present were Secretary of Health and Human Services Otis R. Bowen and Dr. Raymond Dedonder, director of the L'Institut Pasteur in Paris.

Appointment of James W. Winchester as a Member of the National Commission for Employment Policy

March 31, 1987

The President today announced his intention to appoint James W. Winchester to be a member of the National Commission for Employment Policy for the remainder of the term expiring March 20, 1988. He will succeed Paula V. Smith.

Mr. Winchester is currently the president of Winchester & Associates, a private consulting firm in Alexandria, VA. Previously he served as the Associate Administrator, National Oceanic and Atmospheric Admin-

istration (NOAA), 1982-1986. Mr. Winchester served in the United States Navy from 1937 to 1946 and 1950 to 1954.

Mr. Winchester graduated from Johns Hopkins University (M.A., 1954), American University (M.A., 1962), and Pacific Western University (Ph.D., 1981). He was born in Central, SC, in 1916. He is married, has three children, and resides in Alexandria, VA.

Appointment of Harvey C. Mansfield, Jr., as a Member of the Board of Foreign Scholarships

March 31, 1987

The President today announced his intention to appoint Harvey C. Mansfield, Jr., to be a member of the Board of Foreign Scholarships for the remainder of the term expiring September 22, 1989. He would succeed Brigitte Berger.

Dr. Mansfield is currently professor of government at Harvard University. Previously he served as chairman, department of

government, Harvard University, 1973-1977. Dr. Mansfield served in the U.S. Army, 1954-1956.

Dr. Mansfield graduated from Harvard University (A.B., 1953, and Ph.D., 1961). He was a Fulbright fellow, Harvard (1961). Dr. Mansfield is married and has three children. He was born in New Haven, CT, in 1932, and resides in Cambridge, MA.

Appointment of W. Don MacGillivray as a Member of the National Capital Planning Commission

March 31, 1987

The President today announced his intention to appoint W. Don MacGillivray to be a member of the National Capital Planning Commission for the term expiring January 1, 1993. He would succeed Bruce Kirschenbaum.

Previously Mr. MacGillivray served on the President's National Highway Safety Advisory Council. He was a California State

assemblyman from 1969 to 1975 and is a retired general building contractor. He served in the United States Navy, 1941–1946.

Mr. MacGillivray attended the University of California at Santa Barbara. He was born in Los Angeles, CA, in 1919. He is married and has two children. Mr. MacGillivray presently resides in Santa Barbara, CA.

Appointment of Donna Helene Hearne as a Member of the Executive Committee of the National Summit Conference on Education

March 31, 1987

The President today announced his intention to appoint Donna Helene Hearne to be a member of the executive committee of the National Summit Conference on Education. This is a new position.

Ms. Hearne served on the National Council on Educational Research from 1983 to 1987. She is presently owner and operator of the Missouri License Bureau, St. Louis,

MO. Ms. Hearne has written articles on the American Revolution, coauthored a book entitled "Heritage of the Creve Coeur Area," and is currently the editor of a small quarterly newspaper.

Ms. Hearne graduated from Washington University (B.A., 1962). She was born in Detroit, MI, in 1940, and resides in St. Louis, MO. She is married and has five children.

Message to the Congress Transmitting the Directive Implementing the Recommendations of the President's Special Review Board for the National Security Council

March 31, 1987

To the Congress of the United States:

In my address to the American people on March 4, I promised that I would report to the Congress by the end of March on all the steps I have taken to implement the recommendations of the President's Special Review Board chaired by former Senator John Tower.

I hereby submit to the Congress for its information the text of the decision direc-

tive I issued to implement the Special Review Board's recommendations. This directive mandates certain actions to put the National Security Council (NSC) process in better order and to avoid any recurrence of the deficiencies and abuses that the Special Review Board described. Many of these remedial measures—including the prohibition of NSC Staff engagement in covert activities—were implemented before the Special

Review Board reported to me on February 26. The remaining steps have been taken or will be completed shortly.

The President and the Congress share a significant responsibility for safeguarding and advancing the interests of the United States in the world at large. When our two branches of government are at odds, we weaken ourselves as a force for international peace and freedom; when our two branches work in harmony, there is little our Nation cannot accomplish. Each branch is jealous of its constitutional prerogatives; yet, each must also respect the prerogatives of the other.

In this regard, I endorse the Special Review Board's recommendation that the structure and procedures of the National Security Council system not be the subject of further legislation. The NSC and NSC system have traditionally been a flexible instrument for presidential management of national security affairs. Every President since 1947 has used this instrument in a different way; as my successors, too, will discover, its flexibility is an important part of its usefulness. Similarly, the Special Review Board found that it was not the present structure or procedures that were at fault; rather, the problem was that the properly established structure and procedures were not properly used.

The reforms and changes I have made are evidence of my determination to return to proper procedures, including consultation with the Congress. I will do my share, as I said on March 4, "to make the congress-

sional oversight process work."

I look to the Congress to do its share, as well. In the intelligence field, I welcome the Congress's oversight role as it has developed in the last decade. At the same time, this is a sphere of policy that requires a strong Executive role—for constitutional, historical, and practical reasons—as well as a special spirit of close cooperation between our two branches.

The Special Review Board recommended that the existing Intelligence Committees of the House and Senate be merged into a new Joint Committee, with a restricted staff, to oversee the intelligence community. This is a recommendation that deserves to be enacted as it would help ensure the necessary secrecy of deliberations in this sensitive area. In addition, I must make clear that I will strongly oppose legislation that would attempt to encroach further on what I regard as the President's independent constitutional authority in the intelligence field.

I pledge to the American people and to the Congress that I will follow through on all the commitments set forth in the decision directive that I am transmitting. I intend, as well, to move ahead on the pressing agenda of foreign policy challenges and opportunities that lie before us. This agenda will not wait. I was elected to carry forward this Nation's vital role of leadership in the world, and I intend to do so.

RONALD REAGAN

The White House,
March 31, 1987.

Nomination of Carl E. Vuono To Be Chief of Staff of the United States Army

March 31, 1987

The President today announced his intention to nominate Gen. Carl E. Vuono to be Chief of Staff of the United States Army. He will succeed Gen. John A. Wickham, Jr., who is retiring.

General Vuono is presently serving as

commanding general, United States Army Training and Doctrine Command, Fort Monroe, VA. He has served in the United States Army for over 29 years.

General Vuono graduated from the United States Military Academy (B.S., mili-

tary science) and Shippensburg State College (M.S., public administration). He was

born October 18, 1934, in Monongahela, PA.

Toasts at the State Dinner for Prime Minister Jacques Chirac of France

March 31, 1987

The President. Mr. Prime Minister, Madame Chirac, Mr. Foreign Minister, and honored guests, and ladies and gentlemen, welcome to the White House. And if this had been 24 hours earlier, I was going to say, "And, if I may, welcome to this splendid spring evening." [Laughter] Well, we've spoken today of the challenges that confront our two great nations. This evening, Nancy and I'd like to invite you to relax. Mr. Prime Minister, Madame Chirac, you'll always be welcomed friends in this house. And by the way, I hope you all enjoyed this evening's dinner wine. You see, it was produced in California—[laughter]—as part of a joint French-American venture. [Laughter]

But no one can live in this house for long without feeling the vibrant spirit of our French and American forebears, of Thomas Jefferson and Benjamin Franklin, of Lafayette and Rochambeau. And I just have to believe they'd be proud to know that the common commitment to freedom that served as the foundation of our friendship so long ago remains alive in the White House tonight. But even as we look to the legendary figures of the past, we look as well to the major French and American figures of the present. And certainly, there are many here tonight, many who personify the bonds between us in diplomacy, in culture and commerce, in entertainment and science. Just recently we reached an important agreement regarding AIDS research, an agreement recognizing that French and American scientists stand together in the forefront of the battle against this tragic disease.

To everyone, all of our eminent guests, welcome. This evening, too, Nancy and I cannot help but recall our own travels to France during these last 6 years. I remember especially meeting with my summit col-

leagues in the halls and gardens of the Palace of Versailles, that place of immense beauty so alive with the history of France. And we remember standing on the beaches of Normandy, with the Channel waters behind and the cliffs above, thinking of the men who fought and died on that terrible day nearly 43 years ago when the fate of the free world hung in the balance, of the men who fought and died for freedom.

As is only befitting with close friends, Mr. Prime Minister, our discussions were frank and constructive. We covered East-West issues, arms control, the struggle against terrorism, regional conflicts—a broad agenda. We discussed our differences on trade issues, and how to narrow those differences in ways that would advance the economic well-being of our peoples. I know that you continued those discussions through the day with Secretary Shultz, Secretary Weinberger, and Secretary Baker, and that tomorrow you will meet with Vice President Bush.

As always, our discussions were able to take almost for granted certain shared values. Yet these values—liberty, democracy, the dignity of each individual—these values are sacred. And nowhere are they more important or more in evidence today than in the strength of the Atlantic alliance and in the unshakable commitment of the United States to share in the defense of Europe. So it is that, even as we seek to negotiate arms control and other agreements with the Soviet Union, we'll continue to consult closely with our European allies. Our message is clear to friend and foe alike: America stands with Europe.

And permit me now to invite you all to join me in raising a glass in friendship: To France and to our honored guests, Prime Minister Chirac and Madame Chirac.

The Prime Minister. Mr. President, Mrs. Reagan, ladies and gentlemen, dear friends,

my wife and I are extremely touched by the warmth of your welcome, as we are by this beautiful reception, which marks the end of a day we have just spent under the sign of friendship in this city of Washington. I wish to extend special thanks for this warm reception which brings together in this famous and beautiful house men and women of America and France from the worlds of the arts, of science, and of politics. And these thanks go to you, Mrs. Reagan, especially, because I know the personal part you have played in preparing this reception. And let me say how much we appreciate the elegance, the warmth, and the friendship of it all.

And let me tell you also, Mr. President, how happy we are to be with you here tonight, with a man who has managed to reconcile America with itself, to restore its self-confidence, and to give it the chance to hope anew—in other words, to restore the vigor of the American dream. And you know what high regard, friendship, and yes, indeed, affection Europeans and the people of France, in particular, have for you, sir.

When I arrived here this morning, what I said came from the heart. France is more than an ally; France is a faithful friend. America is sometimes convinced that she is insufficiently loved and does not always, however, set sufficient store by the intensity of France's feelings for America. These feelings are not only the result of the trials we have always borne side by side. They are not solely due to the fact that we share the same values: liberty. Today these ties are stronger than ever before because we naturally ask ourselves the same questions, because we have to meet the same challenges, and because we share a common will precisely to do so.

I'm rediscovering the same self-questioning spirit, the same will to go forward, to face the future with open eyes, to make hope triumph over doubt which I first experienced 30 years ago when I visited your country as a student. But I also want to emphasize how much France, in the alliance of Western democracies, is indeed a strong European partner that the United States can rely upon. And this strength is due to the deep commitment of the whole of the people of my country to the princi-

ples that govern our foreign policy and our national security. These principles are those which General de Gaulle defined 30 years ago, and all of the Governments of France since then, without fail, have abided by them.

In no other European country is there such a large consensus on the main lines of foreign policy: respect for existing alliances, national independence, and being present in world affairs. In Europe, France is working both for the development of unity and respect, at the same time for diversity. In Africa, she's fighting attempts of destabilization. In Latin America, defending democracy against dictatorship. In the Middle East, she wishes to engage in dialog with all parties concerned, so as better to explore the paths of peace. In the Pacific, she wishes to enhance the region's harmony and stability. And finally, France fervently hopes that the rich countries of the world through greater generosity will be able to prevent a larger number of countries from sinking even deeper into debt and experiencing even worse poverty. And France intends to work steadfastly towards the attainment of this goal.

In no other European country is there such a consensus in favor of development and modernization of defense capabilities, and more particularly, in favor of a nuclear deterrent that guarantees respect for national independence and liberty in all circumstances. And finally, one cannot forget the French people's unanimous agreement not to give in to terrorist blackmail and remain in adversity, one and determined.

But, Mr. President, the message which I bear today is also that of a new France which has learned the lessons of economic crisis and has decided to turn its back on outdated remedies and patterns and to undertake deep change, modifying century-old habits in order better to meet the requirements of tomorrow. Over the last thousand years, monarchy has shaped France's identity, and the price of this was a necessary process of centralization, which under the revolution and the Napoleonic empire were indeed consolidated. And as you were mentioning yourself, Mr. President, to me, Alexis de Tocqueville quite

aptly remarked: In a country where for centuries at end everything was handed down by the top of the power structure, things had to change.

And indeed, an actual revolution is today underway in which hitherto nationalized companies are being handed back to the private sector, in which the audiovisual media still under state control are being given over to private initiative, in which regulations that long stifled the economy's efficiency are being eliminated, in which an increasing number of responsibilities are being transferred to local authorities.

Now, a year ago François Mitterrand, President of the French Republic, appointed me Prime Minister. The people of France have entrusted to my government the mission to release the energies of our country and to give free rein to its creativity and can-do spirit, which have traditionally found an outlet in the arts, in which most

today show their mettle in economy, business, and industry. Loyal, strong, open to the world around it, Mr. President, such is the France that is visiting you today.

I wish to raise my glass in honor of Mr. Ronald Reagan, President of the United States of America; Mrs. Nancy Reagan, to whom I present my most respectful regards; to the future of friendship and cooperation between France and the United States. Thank you, Mr. President. Thank you, Mrs. Reagan.

Note: The President spoke at 9:56 p.m. in the State Dining Room at the White House. In his remarks, the President referred to Secretary of State George P. Shultz, Secretary of Defense Caspar W. Weinberger, Secretary of the Treasury James A. Baker III, and Vice President George Bush. Prime Minister Chirac spoke in French, and his remarks were translated by an interpreter.

Informal Exchange With Reporters April 1, 1987

Transportation Bill Veto

Q. You must have won.

The President. What?

Q. You must have won. You look happy.

The President. Well, not yet. A procedural vote to reconsider is on. There were enough votes to sustain, but now we don't know. And I don't know how long this process is going to take. He's [Howard H. Baker, Jr., Chief of Staff to the President] probably a better judge of that than I am.

U.S. Embassy in Moscow

Q. The L.A. Times says that the Soviets were able to intercept our messages to our Embassy in Moscow for 1 year. Did you know about that?

The President. Well, I don't know whether the investigation—how far it has gone, but that's what we're investigating as to what damage has been done by this.

Q. So, we don't know yet?

The President. Well, there may be some, but the report hasn't reached me as to what we still know or how far we've pinned it down.

AIDS

Q. Sir, what's the best preventive measure for AIDS that you refer to in your speech?

The President. Well, that's why we've increased our funding for research—to find out.

Q. Should you just say no?

The President. That's a pretty good answer. Yes.

Transportation Bill Veto

Q. [Inaudible]—Senate vote on the override to be a test of your political health?

The President. If it sounded good? Now, I don't know what may happen with this procedure that's going on now, but, yes, I was very pleased. But it still isn't final.

Note: The exchange began at 11:47 a.m. at the South Portico of the White House as the President was leaving for a trip to Philadelphia, PA.

Appointment of Thomas C. Griscom as Assistant to the President for Communications and Planning *April 1, 1987*

The President today announced his intention to appoint Thomas C. Griscom as Assistant to the President for Communications and Planning, effective April 2, 1987. Mr. Griscom will direct all White House communication activities and will be responsible for overall planning. Working with him will be the Office of Presidential Appointments and Scheduling, Presidential Advance, Office of Political and Intergovernmental Affairs, Presidential Speechwriting, and the Communications Offices.

Mr. Griscom became president and chief

operating officer of Ogilvy and Mather Public Affairs in January 1987. He served as executive director of the National Republican Senatorial Committee, 1985–1986. Mr. Griscom served as press secretary to Senate Majority Leader Howard Baker, 1978–1984. He was a political writer for the Chattanooga News-Free Press for 7 years, 1971–1978.

Mr. Griscom graduated from the University of Tennessee at Chattanooga (B.A., 1971). He is married, has three children, and resides in Alexandria, VA. Mr. Griscom was born in Chattanooga, TN, in 1949.

Informal Exchange With Reporters in Philadelphia, Pennsylvania *April 1, 1987*

AIDS Prevention and Education

Q. Mr. President, your Education Secretary disagrees with the Surgeon General. The Surgeon General says that there should be specific sex education for children—condoms, prevention, and specific information to really do something.

The President. Well, I think that what the Secretary was saying is something I myself have said. I think that that particular subject should be taught in connection with values, not simply taught as a physical, mechanical process.

Q. The Surgeon General is saying that if there isn't abstinence, that there should be—

Q. The Surgeon General says that if there should be specific—

The President. What?

Q. —and there should be other means used. If there can't be abstinence, then the Surgeon General says there should be other means used.

The President. Well, I don't quarrel with

that, but I think that abstinence has been lacking in much of the education.

Q. The Surgeon General says that there has to be specific sex education. Do you disagree with him?

The President. That what?

Q. You clearly disagree with your Surgeon General—

The President. On what?

Q. —about the need for sex education at a very young age.

The President. I said, "that if that education was accompanied by values," but one of the things that's been wrong with too much of our education is that no kind of values of right and wrong are being taught in the educational process. And I think that young people expect to hear from adults ideas of what is right or wrong.

Transportation Bill Veto

Q. What did you have to give away to win the highway veto? [*Laughter*]

Q. Are you going to sustain the highway

bill?

The President. What?

Q. What are you going to do—

The President. It's still up in the air there. I'm waiting for it to get straightened out.

Federal Spending on AIDS Research

Q. Are you really spending enough money on AIDS? A lot of people—

The President. We have increased the spending on that more than anything we've increased in the budget.

Q. Congress has doubled what you've

proposed. Congress has fixed it every year—much more than what you've proposed.

The President. Well, Congress is made up of spendthrifts. [Laughter]

Note: The exchange began at 12:50 p.m. at Philadelphia International Airport. In the first question, the reporter referred to Secretary of Education William J. Bennett and Surgeon General of the Public Health Service C. Everett Koop.

Remarks at a Forum Sponsored by the College of Physicians in Philadelphia, Pennsylvania

April 1, 1987

Opening Remarks

I thank you all for coming here today, and I'm looking forward to what this distinguished panel has to say.

Medicine today is saving lives and raising the life expectancy of all Americans. I know what that means firsthand. I've already lived some 23 years beyond my life expectancy when I was born, and that's a source of annoyance to a number of people. [Laughter] As you know, I've had a few stays in the hospital over the last 6 years. The surgeons were so skillful, I'm thinking of having them work on the budget. [Laughter]

But I've seen the lifesaving power of modern medicine, and I know that we have here in America a medical community that's the best in the world. Not only is medical care here the best, it's also more widely available than anywhere else in the world. As we prepare for the 21st century, our goal is to make sure that in the year 2000 that is still the case.

This is why I've come here today. I'm ready to listen and learn what are the challenges ahead for keeping America healthy, for developing the science and the art of medicine, for making sure that good health care remains available to all our people.

So, that's what I've come to hear about,

and the floor is yours.

Closing Remarks

Well, if I could just say: I find myself in great agreement with everything that I have heard here today, and being married to a nurse's aide, that includes your statement about their importance. I made great use of that a few weeks ago. But, yes, in these last statements it seems to me that we have a great deal still to do in education in the sense of informing our people of some things. As Governor of California—and several widely publicized catastrophic family cases came to view there—we set out and worked out a plan with the private insurance companies in which, if we would agree to be compulsory, to compel everyone who worked in California to take out catastrophic health insurance at that time, they could have provided that insurance, limitless as to cost, for \$35 a year.

And when I say, speaking of education, there's something about this. The frequency of that is not sufficient. You know, that everybody thinks it won't happen to them. We couldn't even get a postcard—we were going to make this available to the people to decide. We just couldn't get any attention at all about it, and it just died aborning. No one ever thought it would happen to

them. And I think here maybe this is a field for us to work harder than we have.

Incidentally, Dr. Bowen, there, may have some comments, if I may be so bold. I'm not in charge here, but Dr. Bowen, as nearly as I have been able to figure it out, is only the seventh physician to ever serve in a Presidential Cabinet in the history of the United States. And having been a Governor doesn't hurt at all. I had just remarked to

him a little while ago, we need more Governors in Washington. [*Laughter*]

Note: The President first spoke at 1:15 p.m. and then at 1:35 p.m. in the library at the College of Physicians. In his closing remarks, he referred to Secretary of Health and Human Services Otis R. Bowen who was Governor of Indiana from 1973 to 1981.

Remarks at a Luncheon for Members of the College of Physicians in Philadelphia, Pennsylvania

April 1, 1987

You know, I can't help thinking what a great place this would be, and a great moment, to get a pain in the neck—[*laughter*]*—*or maybe even a lower back pain—[*laughter*]*—*but I left Congress in Washington. [*Laughter*] I don't mean that personally. [*Laughter*] For me, politics is forgive and—as you may have heard sometimes—forget. [*Laughter*] One thing I didn't forget today, it was to bring with me someone special. I am told that he may be only the seventh physician ever to serve in a Presidential Cabinet from George Washington times until now: Dr. Otis Bowen.

This year throughout America our eyes are turned to Philadelphia as Americans everywhere remember that here 200 years ago a small group of men fashioned the greatest experiment in self-government in the history of man: the Constitution of the United States. The founders represented the people of the Nation, and they submitted their work to the Nation for ratification, which marked a turning point in history. Yes, that's what I told Ben Franklin at the time. [*Laughter*] Never before had an entire people joined together so peacefully and so effectively to govern themselves.

The Constitution called for a limited government, and in the two centuries since then, many around the world have asked: How is it possible that self-government and limited government work so well in America? Well, the answer is simple, and you're a part of it. As the Frenchman de Tocqueville

found, when we Americans want to do something, we don't wait for government. We join together, and do it ourselves. And there's no better example of Americans joining together for a common good than the founding, almost 200 years ago, also in this city, of one of America's first academies for the discussion of medical issues, the College of Physicians.

Yes, it was in January 1787, under the guidance of Dr. Benjamin Rush, 24 physicians joined together "to advance the science of medicine and lessen human misery." And for 200 years the college has done just that. Its leadership in public health began with efforts to combat the Philadelphia yellow fever epidemic of 1793, and it continues to this day. And as a leader in medical studies, the college boasts one of the world's finest and most used medical libraries, one of the best medical history libraries in the world, one of the few medical museums in America, and a skull collection that would make Hamlet delirious. [*Laughter*] For two centuries the College of Physicians has made a living reality of its motto—"Not for oneself, but for all"—and in the process has helped make all of American medicine what it is today: the best in the world.

Now, I know that as doctors sometimes you're asked to take the spirit of "not for yourselves, but for all" a little far. And this is my way of sliding into an anecdote; doctors somehow inspire a lot of anecdotes.

Have you ever noticed, you're in a profession where when you're introduced sometimes at a social gathering to someone you've never met before, and the first thing that you know, when they hear that word "doctor" they start right out by saying, "Well, Doctor, I've been having—" and they go on with that? Well, we had a fellow in the business I used to be in, in show business—Moss Hart, the playwright—and he was an inveterate along that line. Anytime he was introduced to a doctor, he had a complaint. And one night at a party in Hollywood, he was introduced to a Dr. Jones and immediately started talking about this low back pain that he was having. And the fellow that introduced him was embarrassed, and he said, "Moss, Dr. Jones is a doctor of economics." [Laughter] That didn't stop Moss. He turned right back to the doctor and said, "I bought some stock last week." [Laughter]

But in this bicentennial year, as we look back, I believe we must also look forward. We must ask ourselves: How will we prepare America for the journey ahead? How will we prepare America for the 21st century? What kind of country will we pass on to our children? And will our children be ready for the jobs and opportunities of America's future? This challenge, preparing America for the 21st century, includes finding ways to make the best use of our science and technology. It includes building a fair, open, and growing world economy, which will be the source of many of the jobs of our future. It includes making use—or, sure that American education is the best in the world, investing in our human and intellectual capital, so our children are ready for those jobs.

It includes improving the climate for entrepreneurship and growth here at home, so that the only limits on what our children can achieve are the limits of their dreams. The key here is lower tax rates and fewer needless regulations. We've made great progress in both those areas, but the job won't be done until we get control of Federal spending so that tax rates won't go up again. And that's why it's time for Congress to cut the Federal budget and leave the family budget alone.

And finally, and the reason why I'm here

today, the challenge includes preparing American medicine for the 21st century. I said that American medicine is the best in the world, and on that we need no second opinions, because there are no other opinions. Our competitive system has produced the finest health care in history. And with each year that passes, it saves more lives, finds cures to more diseases, makes life better for more people than ever before.

Yes, the pulse of American medicine is strong. And as a result, life expectancy has been rising. Once-common diseases like tuberculosis, diphtheria, and polio are distant memories. Infant mortality is falling. The rate of Americans who die from heart problems drops each year. More cases of cancer are found quickly and treated with total success each year, and I have reason to be grateful for that. Operations like cataract surgery, which once were difficult and required long recoveries, have become simple office procedures. And for those who do go to the hospital, average hospital stays have fallen dramatically in the past two decades. A stock scene in the movies has a father rushing his gravely injured child to a hospital. But now when he gets there, he finds doctors are more ready for him than ever before. Intensive care units have become not the exception but the rule, as have trauma centers staffed around the clock with surgeons. This is an important reason auto crash deaths have fallen over the last 10 years. Crash victims have a much better chance of living if they're treated within that first critical hour, and more are.

Almost every disease we know can be rapidly diagnosed and treated. The most obvious and disturbing exception is AIDS. And yet here, too, medicine is vaulting ahead. Six years ago the world had never heard of AIDS. Since then the AIDS virus has been isolated and identified. A test has been developed that is helping to ensure that transfusions are free of contamination. One drug, AZT, has been developed that may help treat AIDS patients, and it received FDA approval just 2 weeks ago. Other medicines are on the way, and American researchers will soon begin testing vaccines. This is unprecedented progress against a major virus. It took 40 years of study to learn as much

about polio. It took 19 years to develop a vaccine against hepatitis B. But then our battle against AIDS has been like an emergency room operation: We've thrown everything we have into it.

We've declared AIDS public health enemy number one. And this fiscal year we plan to spend \$416 million on AIDS research and education and \$766 million overall. Next year we want to spend 28 percent more on research and education and a total of \$1 billion. That compares to \$8 million just 5 years ago. Spending on AIDS has been one of the fastest growing areas of the budget. And that's not all. Recently, Prime Minister Chirac and I announced an agreement that opens the way for cooperation between researchers in France and the United States. We are also unlocking the chains of regulation and making it easier to move from the pharmaceutical laboratory to the market with AIDS drugs. AZT received FDA approval in just 4 months, and that is one-fifth the average time for reviewing drugs. No, the limit on AIDS research today is not money or will but the physical limits of research facilities and the number of people trained in the necessary techniques.

But all the vaccines and medications in the world won't change one basic truth: that prevention is better than cure. And that's particularly true of AIDS, for which right now there is no cure. This is where education comes in. The Public Health Service has issued an information and education plan for the control of AIDS. The Federal role must be to give educators accurate information about the disease. Now, how that information is used must be up to schools and parents, not government. But let's be honest with ourselves. AIDS information cannot be what some call "value neutral." After all, when it comes to preventing AIDS, don't medicine and morality teach the same lessons?

Some time ago I heard the story of a man who received what turned out to be a transfusion of blood contaminated with the AIDS virus. He was infected, and in turn his wife was infected. And within 2 years, they both had died. Well, I'm determined that we'll find a cure for AIDS. When the Carthaginian general Hannibal was preparing to cross

the Alps and was told there was no way across, he said: "We'll find a way, or make one." And that's the kind of determination we all have about curing AIDS. We'll find a way, or make one.

American medicine is making miracles commonplace, and that's good news as America prepares for the 21st century. But while our quality is the highest in the world, so are our prices. Last year medical costs climbed seven times faster than the rate of inflation. It's getting to where many patients feel that the recovery room should be next to the cashier's office. Doctors, patients, insurers—everyone feels sick about the rising cost of getting well. As a nation, we spend up to twice the proportion of gross national product on health care as such major trading partners as Japan, Britain, and Canada. One of our greatest challenges in preparing for the competitive world of the 21st century is to get this medical cost crisis under control. Worst hurt are the uninsured and the elderly citizens on Medicare who face a catastrophic illness. Our catastrophic illness proposal will help those on Medicare. And as part of the package, we will also encourage the States to use their authority to require catastrophic coverage in insurance available through employers. The aim here is to make sure the guy who pumps gas or works in the corner store can get coverage, too.

But as we protect those who are most vulnerable, we must also do something to hold costs down. And let's face it, government has played a large role in the inflation of medical costs. As the head of one suburban hospital told a reporter not long ago: "The incentives used to be to keep people in the hospital, to perform more tests and procedures, to increase costs." When we came into office, Medicare was facing bankruptcy, and when it came to the public assigning liability, doctors were hurt, too. Stories of soaring costs and excessive bills tarnished the profession's reputation. Four years ago we changed the Medicare hospital payment system. We also allowed health maintenance organizations and competitive medical plans to contract to give care, and the results were astonishing. Health care inflation was cut in half. Efficiency rose. Serv-

ice did, too. And the Medicare trust fund was pulled back from the brink. And still, to ensure that the fund remains strong through the year 2000, we must do more. And that's why I've sent a new package of proposals to Congress.

A lot is wrapped up in that package: more choices for Medicare beneficiaries, more incentives for doctors to improve efficiency, more incentives for States to give more choices to those on Medicaid. But let me tell you one thing that will not be in that or any future package from my administration: a mandatory cost containment system. I know some want to go that route, but a mandatory system would discourage innovation, restrict services, and be a step toward government control of the entire medical profession. American medicine is the world's best because it is private, and it must stay that way.

Now let me turn to one of the most important cost issues facing medicine and many fields today: liability insurance and tort reform. When I hear of what goes on in the courts, it reminds me of the hypochondriac who was complaining to the doctor. He said, "My left arm hurts me and also my left foot and my back. And, oh, there's my hip and, yes, my neck." Well, the doctor muttered something to himself, sat the man down, had him cross his legs, tapped him there—you know, that spot, with the little rubber hammer. He says, "How are you now?" The patient said, "Well, now my knee hurts, too." [Laughter] Sometimes it seems as though the courts are ready to award damages even to that man. Last year a jury awarded one woman a million dollars in damages. She'd claimed that a CAT scan had destroyed her psychic powers. [Laughter] Well, recently a new trial was ordered in that case, but the excesses of the courts have taken their toll.

As a result, in some parts of the country, women haven't been able to find doctors to deliver their babies, and other medical services have become scarce and more expensive. This is both a State and Federal matter. When Secretary Bowen was Governor of Indiana, Indiana reformed its liability law. Two-thirds of the States, including Pennsylvania, have taken action since the beginning of 1986. It's time to make it 50,

and for Congress to follow, too. We can debate the details, but doesn't it make sense, in effect, to give lawyers a Hippocratic oath so that they will, as you swear to do, "abstain from every voluntary act of mischief." Although I guess, for some lawyers—and I emphasize some—mischief is a compulsive act. [Laughter]

I've talked today about some of the challenges facing American medicine as we prepare for the 21st century. Sometimes it's easy, particularly on the cost issues, to turn to government for the answers. Yes, government has a role, but in the end, physicians are in charge of this operation. And just as a surgeon must decide when to call for the scalpel, clamps, and thread during an operation, you must decide when to call for the tools that will help you remove enlarged costs from the body of medicine. I heard from a panel in the college library today about bringing down costs by making better use of nurses and other health professionals.

Well, you must decide how and when to do this. A few negligent doctors can raise the health care and liability insurance costs for everyone. You must decide if medical societies will get tough on those guilty of negligence or of failing to conform to the ethical standards of medicine. As patients expect more from medicine, and as they pay more, they also want to know more about their choices. And you must decide how to get the information to them. As less expensive, simpler procedures come available, you must decide when to use them. In your hands is American medicine's great tradition of healing all in need regardless of their wealth.

And let me add one other thing that is vital to our nation's future that in many ways is in your hands as well: the war on drug abuse. You can teach your patients about the health risk of drugs. You can show them, particularly your young patients, why it's important to them, their families, and their communities to just say no to drugs.

Yes, your hands will fashion the future of American medicine. But I believe that's just saying that American medicine is in the best hands in the world. Compare your

healing powers to the doctors of any other country. Take, for example, the Soviet Union, which talks so much about the superior quality of its medicine, but where sanitation is so poor that, as recently as 2 years ago, a third of all operations there left patients with postoperative infections, where a third of all hospitals do not have adequate facilities for blood transfusions, and where, partly as a result of poor medicine, life expectancy has been falling and infant mortality climbing. There's no contest there or anywhere else. You are the best.

I say that with confidence, because I know the quality and commitment of America's physicians, not only firsthand but through my family as well. My father-in-law was a physician. My brother-in-law is. I saw their dedication to medicine. I saw my father-in-law's devotion to his patients and to his students. I saw his enormous dignity. And I saw his dedication to excellence, how

he constantly searched for better ways to diagnose and cure. Yes, I saw how he helped people, whether or not they could pay, and treated all patients with the same courtesy and respect.

As our nation prepares for the 21st century, I'm confident that American medicine remains in hands like his. So I say to you, some of America's most distinguished doctors: Let us begin to get ready now, so that in the year 2000, American medicine will still be the best and most widely available in the world and physicians across our land will say with pride, "Not for oneself, but for all."

Thank you, and God bless you.

Note: The President spoke at 2:03 p.m. in the Wyndham Ballroom at the Franklin Plaza Hotel. In his opening remarks, he referred to Secretary of Health and Human Services Otis R. Bowen.

Remarks to the Volunteers and Staff of "We the People" in Philadelphia, Pennsylvania *April 1, 1987*

Governor Casey and Mayor Goode and ladies and gentlemen, to begin with, let me put you all at ease by letting you know that I intend to keep my remarks brief. I will. As Henry VIII said to each of his six wives: "I won't keep you long." [Laughter] You know, I often reflect that George Washington gave an inaugural address of only 135 words and became a great President. And then there was William Henry Harrison. In his inauguration he spoke for nearly 2 hours, caught pneumonia, and was dead within a month. [Laughter]

But it's an honor to be in this historic place with all of you who are doing so much this year to help make our history come alive. Especially on September 17th, the 200th anniversary of the day of our Constitution, the eyes of the world will turn here to Philadelphia. The hours and hours that you've spent contributing the energy and imagination—all of these represent a magnificent gift to the Nation, and on behalf of

all Americans, I thank you. By the way, looking around I can't help thinking that the National Park Service has done a darn good job at taking care of this place. It looks almost like new. And I ought to know; I was here the day it opened. [Laughter] I can't tell you how nice the bell in the other building looked before it cracked. [Laughter]

But on a serious note, join me, if you will, in considering three moments in the history of this square. First, it is December 1790. Sixty-five Representatives and twenty-six Senators have gathered here in Congress Hall. Outside there is the distracting, constant clomp of horse hooves and the rumble of coaches, and the men inside here in this room are worried. Many risked property and life itself in the Revolution just a few years before. Now they faced a sobering question: Had they and their countrymen overreached? Can this raw new Republic survive, or will it be torn apart by disputes

between the States, lack of finance, pressure from the great powers of Europe? In this House Chamber and in the Senate Chamber above, the Members of the Congress of the United States faced these challenges and surmounted them, bringing into being a sound system of finance, providing for the defense of the Nation, and learning through it all to make this fledgling democratic work.

And now it's February 1861. Abraham Lincoln has been making his way slowly eastward from Springfield, Illinois, to Washington to take the oath of office as President. And like the men of 1790, Lincoln faced a simple question: Not could the Republic prosper, but could the Republic survive? Before dawn on the 22d, he came here to this set of buildings and spoke to the crowd that he found waiting. He had often asked himself, Mr. Lincoln said, what great principle or idea it was that had held the Union together for so long. "It was not," he said, "the mere matter of separation of the Colonies from the mother country. Instead, it was something giving liberty not alone to the people of this country but hope to the world. It was that which gave promise that in due course the weights should be lifted from the shoulders of all men."

Well, the final moment I'd like you to join me in considering requires no imagining. It is now, the present. Like the men of 1790, like Lincoln in 1861, indeed, like every generation of Americans throughout our history, we, too, face the question: Will this nation, founded upon freedom, continue to flourish? Will it continue to extend

the hope of liberty to all the world? It's my belief that in the last 6 years we've done much to restore our nation, restore our economy and defenses, restore our basic values, even restore a sense of our own fundamental goodness as a people.

Yes, I feel certain that, despite all the challenges that beset us, this nation of freedom will flourish. But if we're to succeed in the future, we must first learn our own past. We must learn to go to a building like this and hear the echoes and sense the greatness and draw strength. For to study American history is, in a sense, to study free will. It is to see that all our greatness has been built up by specific acts of choice and determination. And it is to see how very fragile our nation is, how very quickly so much that we cherish could be lost.

All this is really a more elaborate way of repeating what I said at the beginning: that by doing so much to bring American history to life, each of you is making a weighty gift to the Nation, and especially to our young people. And so, let me repeat, too, the other remark I made a moment ago: My friends, I thank you. And God bless you all.

Note: The President spoke at 2:50 p.m. in the House of Representatives Chamber at Congress Hall. "We the People" was an organization established to prepare for the 200th anniversary of the Constitution. In his opening remarks, he referred to Governor Robert Casey and Mayor Wilson Goode. Following his remarks, the President attended a reception for major donors to the organization and then returned to Washington, DC.

Remarks Following a Meeting With Secretary-General Carrington of the North Atlantic Treaty Organization

April 2, 1987

The President. Well, good morning, everyone. Lord Carrington and I have just had a brief but useful discussion about the vitality of the NATO alliance. And this endeavor is helping to improve NATO's conventional defense as we move forward in

our negotiations on equitable, stabilizing, and verifiable reduction of nuclear weapons. Also, it will have positive impact when we begin negotiations with the Warsaw Pact for more stable conventional forces from the Atlantic to the Urals.

Congress' support of codevelopment at an initial funding level of \$200 million has opened up new opportunities of benefit to everyone. And as a result of the amendment by Senators Nunn and Roth and Warner, there may this year be as many as a dozen cooperative ventures undertaken with alliance nations. This is a historic first in the alliance and will have a profound impact on NATO's conventional defense as well as a better return on both U.S. and European taxpayers' defense investment in all alliance nations. Senators Nunn and Warner and other Members have been leaders in promoting this important legislation in the Congress. This partnership approach is the best antidote to trends toward defense protectionism on both sides of the Atlantic as well as troop withdrawal amendments.

The international political framework NATO has set up for stimulating progress in this partnership venture has been remarkable. The newly created, reinforced North Atlantic Council meetings of Deputy Defense Ministers includes the French and the first such use of the Council since 1950. And this is a very constructive way to encourage closer French cooperation on defense issues. And I'm grateful that Lord Carrington has taken personal leadership in this matter at NATO. And I deeply appreciate the wisdom and energy of all the parties who've made this work, many of whom are gathered here today.

Your Lordship, welcome.

Lord Carrington. Thank you very much, Mr. President. May I just say—

The President. Please do.

Lord Carrington.—I think the alliance over the years has had a number of successes, not least that in 38 years we haven't had the third world war. I'm not at all sure that we can congratulate ourselves quite so warmly in the matter of arms cooperation over the last 38 years. We've had some successes, but it would be an exaggeration to say that we have been all that successful.

And I am deeply encouraged that you, Mr. President, personally have come to this

meeting today to give this a boost. And the fact that Senator Nunn and Senator Roth and Senator Warner and others have made these proposals and have made it possible for there to be greater cooperation between the Europeans and the Americans is exceedingly important. And I know the energy with which Secretary [of Defense] Weinberger and Deputy Secretary [of Defense] Taft are carrying this out.

We, alas, don't have all the resources that we need for defense. When we waste them by duplication and by competing against each other, we do the alliance a great disservice. And so I can assure you that I will do everything I can to see that this is successful. And I, once again, am deeply grateful to you for having spoken in the way that you have.

The President. Well, thank you. And incidentally, while we have given some cast recognition here to the Senators present, we fortunately have some members of our House of Representatives, too—Representative Hyde and others who are here at the table.

Reporter. Mr. President, Senator Dole says that losing this highway vote will make you a caretaker President.

The President. I have asked for permission to go up on the Hill and meet with the Members of the Senate up there to discuss my caretaker status.

Q. When are you going to do this?

The President. What?

Q. When are you going to do this?

The President. Very shortly.

Q. Today?

The President. Yes.

Q. Before the vote?

The President. Yes.

Q. Do you think you can turn it around?

The President. What?

Q. Do you think you can turn it around?

The President. I never talk about win or lose before it happens. Just wait and see what happens.

Note: The President spoke at 10:23 a.m. in the Oval Office at the White House.

Remarks Congratulating the University of Tennessee Lady Volunteers On Winning the National Collegiate Athletic Association Basketball Championship

April 2, 1987

The President. Well, please be seated. We're delighted to have all of you here and to congratulate you on your stunning success this week. Leon Barmore, the coach of that fine Louisiana Tech team that you defeated, said that "Tennessee played the greatest defensive game I've ever seen." Well, believe me, I had a special feeling about all of you coming here today because, as perhaps you know, lately I've been playing a little defensive ball myself. *[Laughter]*

But I—well, I do know what this victory meant to all of you and especially to coach Pat Summitt. Pat, after 12 years of tremendous effort, your coaching and the heart and skill of these terrific young ladies gave you the victory that you've so long deserved. Now, I heard that you were up until 3 o'clock in the morning devising that defensive strategy. Well, obviously it was sleep well lost, because it worked masterfully out on the court. So, it's wonderful to see someone as deserving as you lead this team to victory. And we all support you.

And I want to compliment captain Shelley Sexton and the members of the team on a tremendous season, a season that demanded a great deal of each one of you. The University of Tennessee is a remarkable educational institution, and I think all of you have shown yourselves to be representatives of that great Volunteer educational and sports tradition. Your president, Ed Boling, is here, and Ed, I hope you'll take back my personal congratulations to the student body, the alumni, the trustees, and the people of your great State. Tell 'em for me that I was very proud to have such a great group of young athletes here at the White House today. Oh, and by the way, you might throw in my thanks for loaning me Howard Baker, too. *[Laughter]*

But again, Pat and ladies, each of you has done something very special this year: You've made your friends and neighbors and supporters very proud. And your victory is something to enjoy now, and to re-

member all your years. When I was playing college football, our coach used to tell us, in an effort to inspire us, that the things we would really remember the longest were the games we lost, and we'd be the rest of our lives thinking about, well, if we'd done this or done that. I have a hunch that you'll remember this game for a long time, and well you should. So, thank you all, and God bless you all.

Coach Summitt. President Reagan, I knew if there was anyone in America that could appreciate that defense it would be you. Thank you. I think you also can appreciate, as we appreciate, "Just Say No" to drugs and the campaign that Nancy Reagan has done such a great job with. For this team, "Just Say Yes" has been something that we've been proud of. First of all, for our program, academically, our 100-percent graduation rate that we are very proud of, and athletically, we've made eight trips to the Final Four in the past 11 years. I can tell you that winning the national championship was indeed the greatest honor that this team could bring to our university. And, today when we got up, I said, the team was as anxious, as excited, and as nervous coming here to have this opportunity as they were playing for a national championship. The honor is just as sweet as the victory. Thank you.

Ms. Sexton. Mr. President, on behalf of all us from Tennessee, we thank you for inviting us to be here today; we are very honored. We have a few gifts that we would like to present to you. *[Laughter]* First of all, we have your Converse Weapons. *[Laughter]* Now maybe you can play one-on-one for a day in our shoes. *[Laughter]* And these also are for Nancy Reagan, Mrs. Reagan.

The President. For her, well—

Ms. Sexton. We thank you. Next, we have a basketball from the 1987 women's basketball championship team with our auto-

graphs on the basketball—and coaches—and we present that to you. And Cheryl has the championship T-shirts we'd like for you to have also.

The President. Well, thank you very much. [Laughter]

Coach Summitt. He's ready to play. [Applause] Thank you.

The President. Thank you very much. I am most grateful for all of these. And I have a hunch that in a couple of years this will be on display in a Presidential library, and I'll be very proud to have it there and proud for all of you. And my golly—[laughter]—I'm ready to go.

I can't help but take a little second and tell you something. I used to be a sports announcer and—back in the Midwest, back in the early thirties—that was a whole different century, practically, to all of you. But at that time, I developed quite a thing about girls basketball, because in Iowa—you may not know this—but in that era, high-school girls basketball was so great and so prominent that every year at the State tournament for the championship, the girls box office was greater than that for the male players for the State championship. So, any of you from Iowa here that maybe found you—

Team Members. No.

The President. —didn't find your way

down here. All right. Well, again, thank you very much.

Team Members. Thank you.

Reporter. Have you been slam-dunked by your party, Mr. President?

Q. Are you going to be a caretaker, Mr. President? Are you going to be a caretaker President if you don't win this vote?

Q. Have you been slam-dunked by your own party?

Q. Because that's what they're saying, you know—caretaker President if you don't win this vote.

The President. You heard what happened. I'm playing defensive ball. [Laughter]

Q. Are you winning?

Q. Are you winning?

Q. The Democrats say you were buying votes.

Q. Are you winning, Mr. President?

Q. What's at stake in this vote, Mr. President?

The President. Don't want to know how the score came out until the game's over.

Note: The President spoke at 1:38 p.m. in the Rose Garden at the White House. The reporters' questions referred to the Senate's override of the President's veto of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

Letter Accepting the Resignation of Richard G. Darman as Deputy Secretary of the Treasury

April 2, 1987

Dear Dick:

After your four years of service in the White House and more than two years' service as the Deputy Secretary of the Treasury, I can understand your decision to return to the private sector. I appreciate particularly your sense of your obligations to your family. Were it not for such considerations I would urge you to reconsider.

You have been at the center of much that we have done since the days of transition in late 1980. You have contributed invaluable

to some of the most important accomplishments of my Administration: among them, the tax and budget acts of 1981; the Social Security compromise of 1983; the reorientation of international economic policy in 1985; and, in 1986, the enactment of the most comprehensive tax reform in America's history.

Your career in government—spanning four administrations—has been marked with distinction. Throughout, your commitment to the public interest has been clear,

consistent, and unfailing. You can take justifiable pride in your contributions and achievements.

On behalf of the country for which I know you care so deeply, let me thank you personally for a job well done.

With heartfelt appreciation, Nancy and I wish you, Kathleen, Willy and Jonathan all future success and happiness.

Sincerely,

RONALD REAGAN

Dear Mr. President:

This letter is difficult for me to write.

In November 1980, it was a privilege for me to be able to join the White House transition team. It was a greater privilege to be sworn in, in the East Room, on the morning of your first full day in office, as a member of the White House staff. And ever since, it has seemed to me a very special privilege to have had the opportunity to continue to serve as a member of your administration.

It is with mixed feelings, therefore, that I respectfully inform you of my conclusion that the time has come for me to resign. In the public sector, I have been fortunate to have had the chance to contribute to much that seems to me to have been of positive

value. But, at this particular stage of my life, after more than six straight years in government, I conclude: I have family obligations that might better be met if I were in the private sector; there are interesting opportunities for me to serve in the private sector in ways that can combine challenge, reward, and socially valuable contribution; and I would welcome such new challenges.

I shall always be appreciative of the trust you showed in allowing me to assume the responsibilities of Deputy to the Chief of Staff, Assistant to the President, and Deputy Secretary of the Treasury. I shall always be grateful for having had the opportunity to be involved with some of your distinctive achievements. And I shall always be proud to have been associated with a President who—when the country desperately needed it—helped restore America's pride, and helped renew the historic commitment to build a "shining city upon a hill."

Please accept my very best wishes for continued success—along with my very deepest thanks for all that you have done for me personally and, most importantly, for all that you have done for our country.

Yours with continuing appreciation and respect,

RICHARD G. DARMAN

Appointment of Alison Brenner Fortier as Special Assistant to the President for National Security Affairs

April 2, 1987

The President today announced the appointment of Alison Brenner Fortier as Special Assistant to the President for National Security Affairs. She will also serve as Senior Director of Legislative Affairs for the National Security Council. She succeeds Ronald K. Sable.

Mrs. Fortier served from February 1985 until now as Director of Congressional Affairs at the United States Arms Control and Disarmament Agency. Previously she served as a professional staff member for the Committee on Foreign Affairs, U.S. House of Representatives.

Mrs. Fortier was born in South Bend, IN, where she graduated from James Whitcomb Riley High School (1964). She is a graduate of the College of William and Mary (B.A., 1968) and was a former Fulbright fellow at the Institute of Political Studies, University of Bordeaux, France (1968–1969). Mrs. Fortier has an M.A. in European history from the University of Michigan (1970), where she also became a Ph.D. candidate.

Mrs. Fortier is the widow of Donald R. Fortier. She and her two children reside in Bethesda, MD.

Statement on the Veto Override of the Surface Transportation and Uniform Relocation Assistance Act of 1987

April 2, 1987

I am deeply disappointed by today's vote. I knew in advance that the battle would be tough and the odds were long. But we cannot retreat from our commitment to a responsible budget. My efforts to control spending are not diminished, and I remain firm in my pledge to the American taxpay-

ers to speak out against such budgetary excesses.

Note: H.R. 2, passed over the President's veto on April 2, became Public Law No. 100-17.

Nomination of Jack Edwards To Be a Member of the Board of Directors of the Metropolitan Washington Airports Authority

April 2, 1987

The President today announced his intention to nominate Jack Edwards to be a member of the Board of Directors of the Metropolitan Washington Airports Authority for a term of 6 years. This is a new position.

Mr. Edwards is currently an attorney with the firm of Hand, Arendall, Bedsole, Greaves & Johnston. He was a Member of

the United States House of Representatives (1965-1985). Mr. Edwards served in the United States Marine Corps (1946-1948, 1950-1951).

Mr. Edwards graduated from the University of Alabama (B.S., 1952; L.L.B., 1954). He is married, has two children, and resides in Point Clear, AL. Mr. Edwards was born in Birmingham, AL, in 1928.

Remarks at a White House Ceremony Marking the Sale of the Consolidated Rail Corporation

April 3, 1987

Secretary Dole. Mr. President, thanks to your commitment, thanks to your leadership in privatization, Conrail, our government-owned freight railroad, is no longer a ward of the state. Last week, in the largest initial industrial stock offering that we've had in the history of the United States, Conrail was sold.

And we were very pleased that we were able to maximize the price and also minimize the cost to the Government, because in this instance we had the lowest gross spread of any comparable public offering, the lowest fees to the underwriters. We also had for the first time a special bracket for

minorities and women-owned investment firms. And this gave them an opportunity to participate fully in all aspects of management of the public offering and gave them a lot of visibility and a lot of experience in the process.

So, we're delighted today to be able to present a check to you, which I hope is the first of many 10-digit checks—[laughter]—which will reduce the deficit. This check is for \$1,575,087,500. Now, you add to that the \$300 million that we received in dividends prior to the sale of Conrail, and the Government is receiving more than \$1,875,000,000 from Conrail. So, I hope

that this is just the first of many privatizations to follow in the wake of the Conrail sale, which was the flagship of privatization.

Thank you, Mr. President.

The President. And I also want due credit for having appointed a remarkable and wonderful Secretary of Transportation. Elizabeth and those of you who are here today are to be congratulated for the crowning achievement in our privatization efforts: the hugely successful sale of Conrail to the public. The American people will receive, as you've just heard, over a \$1½ billion from that sale, reducing the Federal deficit by that same amount and this, in addition, as Elizabeth told us, the over \$300 million paid to the Federal Government by Conrail in the last few months.

Conrail is the flagship of privatization and the first of what we hope will be many government functions returned to their rightful place in the private sector. I think this Conrail sale is further evidence that the administration is doing its bit to reduce the deficit.

And let me say something about yesterday's vote. It was a battle well worth waging, and there will be more. Our pledge to the American people to reverse the trend toward more Federal spending remains strong, and it's time for the Congress to stand by the Gramm-Rudman-Hollings

targets and not retreat. And I will continue to press forward for a sound, responsible Federal spending plan.

Well, thank you all, and God bless you. And, Elizabeth, God bless you. And what else have we got to sell? *[Laughter]* All right, thank you all very much.

Reporter. Mr. President, when they warned you about security in the Moscow Embassy, why wasn't something done?

The President. Well, we thought we were doing something, Bill [Bill Plante, CBS News]. We never took anything like that lightly, but finally, it's out in the open. And—

Q. Well, they say that communications security is so bad that Secretary Shultz is going to have to go to a Winnebago to have secure communications when he's in Moscow.

The President. Well, I hope he's got one with him. *[Laughter]*

Note: The President spoke at 11:53 a.m. in the Roosevelt Room at the White House. Secretary of Transportation Elizabeth H. Dole presented the President with a facsimile of the check from the sale. Mr. Plante's questions referred to the discovery of electronic listening devices in the new U.S. Embassy building in Moscow and Secretary of State Shultz' visit to Moscow to discuss U.S.-Soviet relations.

Letter to the Speaker of the House of Representatives and the President of the Senate Transmitting a Report on the Export-Import Bank of the United States

April 3, 1987

Dear Mr. Speaker: (Dear Mr. President:)

This report is being transmitted pursuant to Section 7(a)(2) of the Export-Import Bank Act of 1945, as amended (12 U.S.C. 635e(a)(2)(A)(ii)). Including my request for a \$100 million decrease in direct lending authority, I have determined that the authority available to the Bank for fiscal year 1987 is sufficient for direct loans. The reduction in direct loan authority will result in a loan ceiling of \$800 million in fiscal year 1987. I

have also determined that authority is more than sufficient to meet the current estimate of demand for guarantees and insurance from the Bank. This estimate was based upon the transactions already approved, applications received by the Bank, and projections of the level of business likely for the remainder of the fiscal year.

I am not seeking any additional legislation to rescind any authority of the Bank. Estimates of demand for Export-Import

Bank guarantees and insurance can change quickly. Continued growth in the U.S. economy and global recovery could create unexpected demand for guarantees and insurance. Therefore, I have concluded that the statutory fiscal year 1987 limit for Exim-bank loan guarantee commitments should not be changed.

Sincerely,

RONALD REAGAN

Note: Identical letters were sent to Jim Wright, Speaker of the House of Representatives, and George Bush, President of the Senate.

Remarks to the Indiana University Hoosiers on Winning the National Collegiate Athletic Association Basketball Championship April 3, 1987

The President. Well, please be seated. I didn't realize that there was sort of a hillside here in the Rose Garden—that somebody was standing up higher than—[*laughter*]. Well, Secretary Bowen and Members of the Congress and Hoosiers, and Hoosiers at heart, it's a pleasure to welcome you all here today to the White House to honor the 1987 NCAA men's basketball champs from Indiana University. We figured the Rose Garden would be an appropriate place to host you all today; the dimensions are about the size you're used to. But I apologize. We didn't have enough time to paint free-throw lines and put up baskets to make you feel really at home. [*Laughter*]

This has been a very special week for you all as players and for your coach, the shy and retiring Bobby Knight—[*laughter*—and for the people of Indiana. I grew up just one State west of the Wabash River, and I know a little something about Hoosier hysteria.

In Indiana, babies aren't born with silver spoons in their mouths; they come equipped with basketballs and high-top sneakers. [*Laughter*] I don't know how mothers there manage. Basketball is a way of life in Indiana that many people will never understand. But a movie out these days—you know, the one with the funny name, "Hoosiers"—along with your example will help to explain this phenomenon.

I have to say, also, I have a personal memory of that, because back in my day of athletics and playing and then later broadcasting, Indiana was sort of the capital of

basketball. And many of your high schools played about 40 basketball games a season and no football, and some of those came to the college where I was enrolled. And when the football season was over and I, having played some basketball in high school, toyed with the idea of now going out for basketball—on the first day at the gym I took a look at those fellows and what they were doing with the basketball and I said, "No. I think I'll go in for swimming." [*Laughter*]

One measure of Indiana basketball is—much like politics and government—is statistics. Indiana was the cochampion this year in a tough Big Ten Conference, and they won 30 games, including a rather important 7-game run here at the end of the season. This is the fifth NCAA basketball title for Indiana, but the numbers don't match the thrill you provided to millions of basketball fans here in America.

You won tough victories from some extraordinary teams: LSU; the University of Nevada, Las Vegas; and of course, a one-point, come-from-behind victory against Syracuse right before the buzzer. This was no series for the faint of heart—players or spectators. It wasn't for one spectator sitting upstairs in front of the TV set.

Let me also say that there were no losers last Monday. I think you'll all agree that Syracuse gave you the game of your lives. To the players and fans from Syracuse, I offer my congratulations, too. You're all winners.

But let's talk about some individual win-

ners with us today. Seniors Todd Meier and Daryl Thomas have played with heart, talent, and determination for Indiana for 4 years and came through when called for Monday night. Ricky Calloway, Dean Garrett, Steve Eyl, Joe Hillman, each provided us with clutch performances and moments of brilliance. So much for the front court. I also want to talk about a couple of guards. You know, the short guys on the squad.

Keith Smart, tournament most valuable player—Keith wanted to play basketball so badly that after an accident his senior year in high school he decided to grow 6 inches and play as a walk-on at Garden City Junior College in Kansas. And play he did. And last year Keith was a Junior College All-American. This year Keith iced a 16-foot jumpshot with 4 seconds on the clock to give Indiana its national title. That's what I call progress. *[Laughter]*

And then there's Steve Alford, one of those basketball babies I referred to a moment ago—Indiana's Mr. Basketball as a high schooler, an Olympic gold medalist, two-time All-American, the leading scorer in Indiana history, and Indiana's team leader. And that's just on court. Off the court, Steve is a conscientious student and a model citizen, whose values are as important as his field goal percentage. He's my kind of basketball player, and he's America's kind of student athlete.

Finally, I'd be remiss if I didn't offer a few words of comment about coach Bobby Knight. Heck, everybody gets to take a shot at Bobby, why not the President of the United States. *[Laughter]* Actually, I'll leave Bobby's critics to their own devices. Critics aside, one thing is certain: Bobby cares deeply about his players on and off the court. He seeks to produce the best in his players through hard work, excellence in execution, and selfless team play. Now, when all is said and done, Bobby is my kind of coach. And, Bobby, if you've got time one of these days, I'd like a few pointers on fly fishing. *[Laughter]* But you know the stats as well as I do. Bobby Knight is the winningest coach in Big Ten history. He's won eight Big Ten titles. He's won American gold medals in the Pan American games and the 1984 Olympic games. And he's coached three Indiana teams to nation-

al titles, joining Adolph Rupp and John Wooden in the elite Three and Over fraternity.

Hard work makes for winners on the court, and dedication in the classroom makes for winners throughout life. These two elements are certainly at the core of this Indiana team. And I congratulate you all for living this example and, again, for winning the 1987 NCAA basketball championship. And now I understand that Doc Bowen has planned a little reception for you at his place, so I'll close with what I understand to be a popular Indiana benediction: "If I don't see you in the future, I'll see you in the pasture." *[Laughter]* Thank you all, and God bless you.

Coach Knight. Mr. President, thank you very much for taking the time and allowing us to bring this group of young men here to visit with you this afternoon. I have here on behalf of the team—really not just the team, but from the State of Indiana, where I think you well know you have a tremendous amount of supporters—a jacket that represents both the State of Indiana and Indiana University. And basketball being a big thing in our State, I also thought I'd make in red—our colors—when we brought it to you. So, I'd like to give you this jacket on behalf of really the State of Indiana. I think you'll find it's your size.

The President. Thank you very much.

Coach Knight. I think as a basketball team we took a lot of pride in the fact that we were a pretty tough team. We came from behind the lot in some critical situations. And I think we talked about what we'd like to say that would be most appropriate to you. And on behalf of our players and coaches, it would be this: Mr. President, I think you have shown all of us across America what it's like to be tough in critical situations, and we have a great appreciation for your mental toughness and your competitiveness in the situations in which you've been involved. And I think all of us in this country appreciate that more than anything else. And I would hope our basketball team reflects those same ideals as you have during the time you've been here in the Presidency. Thank you very much for giving us that.

The President. Thank you very much.

Coach Knight. Yes, sir, thank you.

The President. Thank you. We're a day late. I could have used this yesterday on Capitol Hill. [Laughter]

Steve Alford. Mr. President, just like Coach said, this is a tremendous honor for all the players and coaching staff, and we certainly appreciate you taking the time out to visit with us and letting us have the opportunity to visit with you here at the White House. And we'd like to present to you a team ball—autographed ball by all the players and coaching staff representing the championship that we just won. And Todd Meier would like to present you with a hat and a shirt—[laughter]—again, representing Indiana and the title that we just

won. And Daryl Thomas would like to present you with a Indiana basketball sweater. [Laughter]

The President. Well, thank you all.

Steve Alford. Thank you very much.

The Vice President. Do you need any help carrying that stuff?

The President. What?

The Vice President. Let me take care of your jumper, you can carry the ball.

The President. Now, don't get out of my sight. [Laughter] Well, thank you all very much. And thank all of you, and again, congratulations!

Note: The President spoke at 2:07 p.m. in the Rose Garden at the White House. In his opening remarks, he referred to Secretary of Health and Human Services Otis R. Bowen.

Proclamation 5624—Interstate Commerce Commission Day, 1987 April 3, 1987

*By the President of the United States
of America*

A Proclamation

As Americans, we can be proud of our unsurpassed surface transportation system and of the free enterprise that made private sector development of that system possible.

For the past 100 years, the Interstate Commerce Commission, the first independent administrative agency, has been responsible for regulatory oversight of our surface transportation system. For a century, the Commission has carried out its missions with dedication and with commitment to a national surface transportation system second to none. The Commission's role in regulating transportation has changed constantly and is changing even now; regulation by government is giving way to regulation by market competition, and both the transportation industry and the consumer are better off as a result.

The Congress, by Senate Joint Resolution

96, has designated April 3, 1987, as "Interstate Commerce Commission Day" and authorized and requested the President to issue a proclamation in observance of this event.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim April 3, 1987, as Interstate Commerce Commission Day. I invite the people of the United States to observe that day with appropriate ceremonies and activities to recognize the 100th anniversary of the establishment of the Interstate Commerce Commission.

In Witness Whereof, I have hereunto set my hand this third day of April, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:14 a.m., April 6, 1987]

Radio Address to the Nation on Canada-United States Relations *April 4, 1987*

My fellow Americans:

President John F. Kennedy once said of Canada and the United States that: "Geography has made us neighbors. History has made us friends. Economics has made us partners. And necessity has made us allies." Well, tomorrow I'll be headed north to visit the people of Canada and to hold 2 days of meetings with Prime Minister Brian Mulroney. As neighbors, allies, partners, and friends, we've got much to discuss.

As nearby neighbors, the environment has always been a high priority for both our countries. Since the 1909 Boundary Waters treaty, Canada and the United States have worked together to protect border lakes, rivers, and streams. We can be proud of what we've accomplished on this account, especially in protecting the Great Lakes, and this year we'll determine if more needs to be done. Air pollution, another major environmental concern, has diminished in North America since the U.S. passed the pioneering Clean Air Act of 1970.

However, Canada and the United States continue to worry about the consequences of acid rain. In March 1986 Prime Minister Mulroney and I endorsed the report of our special envoys on this problem, and last month I directed our administration to undertake three major steps to carry out the envoys' proposals.

The first is to seek the full government funding recommended by the envoys—\$2.5 billion over 5 years—for demonstration of innovative pollution control technology. Industry will be encouraged to invest at least as much during the same period. Second, the Secretary of Energy is in the process of establishing a panel—with participation by the Environmental Protection Agency, the State governments, the private sector, and the Government of Canada—to advise him on pollution control projects. Third, I've also asked the Vice President to have the Presidential Task Force on Regulatory Relief examine local, State, and Federal regulations that might inhibit the deployment of new emission control technologies and

other innovative emission reduction measures. We can be grateful that on these cross-border environmental questions our two countries are working with each other, rather than against each other.

The same is certainly true when it comes to peace and security. As allies, the United States and Canadian Armed Forces are partners in NATO and in NORAD, the North American Aerospace Defense Command, as well as in peacekeeping operations around the world. The Western alliance has kept the peace these last 40 years, but it isn't without cost. The Mulroney government has pledged higher defense spending to make certain Canada is carrying its part of the load, a move which NATO and the United States Government welcome. We've also been able to count on the Mulroney government to support our efforts to reach agreements with the Soviet Union to reduce the number of nuclear weapons threatening mankind. Our consultations with Canada on this subject are thorough and frequent. Similarly, our cooperation and coordination in the fight against international terrorism stand as examples to the rest of the world.

Our record on the economic front is similarly impressive. Canada and the United States, emphasizing deregulation and invigoration of our private sectors, have recorded two of the best rates of economic growth and job creation among industrialized nations during this expansion. When it comes to economics and trade, Canada and the United States speak as partners. A full one-fifth of our foreign trade is with Canada. We are each other's largest trading partners. In fact, we have more trade with the Canadian Province of Ontario than with any other foreign nation.

Our economic relationship may already be the largest and most dynamic in the world, and we're working to make it even better. Our goal is a free trade agreement that will remove tariffs and nontariff barriers between us. Spurring U.S.-Canadian trade and investment will improve our

economies and strengthen our competitive ability in world markets. Although much hard bargaining lies ahead, we are optimistic that a comprehensive plan, mutually beneficial and advantageous to both sides, can be hammered out this year.

Canada and the United States, as you see, share much more than a common border; we share a democratic tradition, and we share the hopes, dreams, and aspirations of

free people. When I arrive in Canada tomorrow, I will take the best wishes of the people of the United States to our good friends the people of Canada.

Until next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from the Oval Office at the White House.

Remarks at the Welcoming Ceremony in Ottawa, Canada *April 5, 1987*

Your Excellency, Nancy and I are delighted to be in Canada again. It was our privilege in the winter of 1981 to make our first foreign visit as President and First Lady to our neighbors in this proud and lovely capital city. And we still fondly remember the warm and friendly welcome we received in Quebec 2 years ago. As before, and I hope as always, we come as friends and partners, sharing similar dreams and goals for our people: peace, freedom, and prosperity. And working together, we have gone far toward making those dreams a reality.

No two countries in the world, as you have said, for example, have as great a range of trade and investment exchanges at all levels—from an individual's vacation trip to a mammoth contract for electric power—as the United States and Canada. No two countries trade more with each other. No two countries invest in each other's industry or engage in leisure activities in our neighbor's playgrounds to the extent that we do. And the citizens of both our countries—as businessmen, farmers, workers, and consumers—have benefited accordingly. The Canadian writer Stephen Leacock said of our border: "By an odd chance, the 49th parallel, an astronomical line, turned out to mean something. Not

just a point of navigational reference, it became a line appropriately inscribed in the heavens that symbolizes the meeting place of two great, free nations, two nations whose enduring friendship stands as an example of peace and harmony to the all-too-troubled world."

Well, we have significant matters to discuss during our stay here. This is an important prelude to the upcoming economic summit in Venice. But I would like to emphasize, Your Excellency, that our economic relationship—call it the business of being neighbors—is only a small part of the future that we share. Speaking for all Americans on our side of the border, the best part for us is simply our good fortune to share this beautiful continent with the people of your great country. With that thought and with deep appreciation for your kind words of welcome, let me say: *Nous sommes très heureux d'être ici parmi des amis* [We are very happy to be here among friends].

Note: The President spoke at 3:50 p.m. at the Uplands Canadian Forces Base. Prior to his remarks, he was accorded a formal welcome with full military honors. He was greeted by Jeanne Sauv , Governor General of Canada.

Informal Exchange With Reporters in Ottawa, Canada April 5, 1987

Q. Mr. President, are you fearful that the new U.S. Embassy in Moscow is so bugged that it should be torn down?

The President. I know that that's been a problem for several years in the building that's been going on there, and I know that steps are constantly being taken by our people. So, I can't tell you what the situation is right now, but obviously, if there is no way to change that around, we obviously wouldn't move in, would we.

Q. Well, how will that determination be made?

The President. Well, I think there is a technology that could let us know.

Q. Are you concerned about the security of Secretary of State Shultz' visit?

The President. I think they'll take care of themselves.

Q. If there are no breakthroughs on this trip, what's the significance of your meetings—for both of you?

The President. We like each other.

Q. Is that enough?

The President. No, I think we're going to make some progress.

Q. On what?

The President. Well, on just what's already a very fine relationship, unlike anything any two countries in the world know.

Q. Well, would you agree the controls on

acid rain target dates by the midnineties or something like that?

The President. We're going to discuss that. We both have this in common: We both wanted answers.

Q. Mr. President, the Canadians say that while you study the problem the damage is already being done.

The Prime Minister. We'll be talking about that one as well.

Q. Well, do you agree with the Prime Minister that they own the Arctic—lock, stock, and iceberg? *[Laughter]*

The Prime Minister. I said that's ours—lock, stock, and iceberg. *[Laughter]* I think that's a question of sovereignty, and that's our position. I've discussed it with the President before, and that position will be unchanged at any time.

Q. Will he agree with you?

The Prime Minister. You'll find out.

Q. How do you feel on the prospect of a trade agreement?

The Prime Minister. Well, thank you, Helen [Helen Thomas, United Press International]. Thank you, Helen.

Note: The first exchange began at 4:40 p.m. prior to a meeting with Prime Minister Brian Mulroney. The second exchange began at 4:55 p.m. following the meeting. Both exchanges took place in the Drawing Room at Rideau Hall.

Toast at the State Dinner in Ottawa, Canada April 5, 1987

Your Excellency, it's always a great pleasure to join old friends again. And just as delightful, it's exhilarating to celebrate the stirrings of spring with a visit to your lovely country, as I did in 1981 and '85. I'm looking forward to returning again next spring for the economic summit that Canada will host in 1988. You know, when I started out from Washington, I had the feeling that I

was the first political figure this year who left Washington flying north who wasn't going to New Hampshire. *[Laughter]* The truth is, I feel an extra kinship with Canada on this trip. For me, too, it was a long winter. *[Laughter]*

It's commonplace at gatherings such as this to reflect on our similarities, of all that we share together. Surely one such experi-

ence is that of a sense of great adventure, of opening a new land, of beginning anew and for the good of us all. Your Excellency, as pioneers of this great continent, the citizens of our two countries have shared, and continue to share, a faith in progress, a belief in cooperation and hard work, and a vision of a future free of war and want. Ours are optimistic people, ingrained with the confidence that no problem is insoluble. Together, we faced the ultimate challenge to peace and freedom during the two great world conflicts of this century. Today, in NATO and in NORAD and in our consultation at the economic summit, the G-7, the United Nations, and a host of other cooperative endeavors, we continue to stand together for freedom and democracy and for the economic advancement of mankind.

Just as the frontier once stretched before the trappers and frontiersmen who surveyed and opened the North American Continent, today we face challenges that require courage, commitment, good sense, and intellect. As we hurtle toward the 21st century, we're confident that the future is on the side of the free and that, with God's grace, the greatest days of Canada and the United States are still ahead. Economic challenges are, of course, always present. Prosperity, economic advancement, improving the lot of large numbers of people is no easy task. Critical choices will determine if our children and grandchildren are to live well and possess the same opportunity we've enjoyed. It comes down to this: How can Canada and the United States, mature industrial powers, best meet the competition and remain the business, commercial, and industrial leaders of the 21st century?

Mr. Prime Minister, your proposal that we cooperate, that we combine and draw upon the collective energy of two economies, was bold and farsighted. It has opened an historic prospect. Setting the goals, however, is easier than achieving them. Our intense negotiations to bring a comprehensive free trade agreement into being certainly suggest this. There is still much hard

bargaining ahead, yet let us not lose sight of the grandeur of what we seek. We remain hopeful that we can conclude an agreement this year. And if we do, it will be an agreement that will promote the economic prosperity of both countries—fair, equitable, and mutually beneficial.

This trade agreement will send a number of messages. First and foremost, it is a resounding "no" to those who would stand pat, to the naysayers, and to the fearful who advocate protectionist barriers. It is a resounding vote of confidence in our own abilities to meet world competition with an unleashed ingenuity, which is prized on both sides of the 49th parallel. It's an exciting idea, and it's a real possibility within our reach. It can reinforce the already impressive strength of our economic relationship. The free flow of goods, services, and investment will be an impetus to sustained economic growth, a trump card in resolving the economic difficulties of today. So, let's look forward to the day when our California wines, toasted the world over, are available throughout Canada without hindrance for your dining delight—[laughter]—just as Molson's Ale is available to every American table. The children of today will enjoy the fruits of our labor in many ways, not the least of which is strengthening the enduring ties between our peoples.

Thank you, and God bless you.

And now, to Her Excellency, the Governor General of Canada, to Mr. Sauvé, would you join me in a toast?

Note: The President spoke at 9:37 p.m. in the ballroom at Rideau Hall in response to a toast by Jeanne Sauvé, Governor General of Canada. In his remarks, the President referred to NORAD, the North American Aerospace Defense Command, and G-7, the seven Western nations that participated in the annual economic summit conferences. Following the dinner, the President went to his suite at Rideau Hall, where he stayed overnight.

Informal Exchange With Reporters on Acid Rain April 6, 1987

Q. Mr. President, if it's going to take millions of dollars of investment and thousands of jobs to clean up the acid rain, doesn't it make sense to start now?

The President. We would like to feel that we started quite some time ago. We'd like to improve our record on what we're trying to do.

Q. Are you still opposed to a treaty, though?

The President. What?

Q. Are you still opposed to a treaty, though?

The President. I'm not saying one way or the other. We're still discussing the issue.

Q. In principle, do you think some firmer sort of agreement signed between the two countries is called for?

The President. I don't know whether it's more agreements. I think we're all agreed on cleaning up the air as we have cleaned up the water.

Note: The exchange began at 12:25 p.m. prior to a luncheon at Prime Minister Mulroney's residence. In the morning, the President met with John Turner, leader of the opposition party, in the Drawing Room at Rideau Hall and with Prime Minister Mulroney in his office at Parliament Hill.

Address to a Joint Session of Parliament in Ottawa, Canada April 6, 1987

The President. Mr. Prime Minister, Mr. Speaker of the Senate, Mr. Speaker of the House of Commons, honorable Senators, Members of the House of Commons, distinguished members of the diplomatic corps, ladies and gentlemen: It's a great honor to speak to you today. As you know, this is my third official visit to Canada. My last two were the first foreign trips I'd taken after each election, but our constitutional prohibitions being what they are, I thought it wasn't wise to wait for another election before visiting you again. *[Laughter]* I also wanted to time this trip after March so people wouldn't think that these state visits were just an excuse for Prime Minister Mulroney and me to celebrate St. Patrick's Day together. *[Laughter]* On each of these occasions, I have been struck by how much our two nations have in common. Despite our many important differences, you see the similarities of our national characters in, among other things, the sports we share: hockey, baseball, football—with some modifications—*[laughter]*—and that fourth sport, which seems to be as popular on both sides of the 49th parallel, giving a hard time to

political leaders of Irish descent. *[Laughter]*

It's truly an honor to have a second opportunity to address this august body, this great democratic legislature that has been witness to and shaper of so much of the history of freedom. I remember those days not so very long after the attack on Pearl Harbor had once again united our two nations in a world conflict, when Winston Churchill stood where I am standing today. Wake Island had fallen just a week before. On Christmas Day, after an heroic defense by Canadian troops, Hong Kong was captured by the Axis. Manila was soon to be swallowed up as well. But those who might have been expecting a picture of democracy in retreat got something very different from that indomitable spirit. "We have not journeyed all this way across the centuries," he said, "across the oceans, across the mountains, across the prairies, because we're made of sugar candy." Churchill was speaking of the members of the British Commonwealth, most specifically of the people of Canada, but I confess we Americans have always flattered ourselves that, though the thought was unspoken, he had

us in mind, too. [*Laughter*]

As two proud and independent peoples, there is much that distinguishes us one from the other, but there is also much that we share: a vast continent, with its common hardships and uncommon duties; generations of mutual respect and support; and an abiding friendship that grows ever stronger. We are two nations, each built by immigrant refugees from tyranny and want, pioneers of a new land of liberty. The first settlers of this New World, alone before the majesty of nature, alone before God, must have been thrown back on first principles, must have realized that it was only in their most basic values that they would find the wisdom to endure and the strength to triumph. And so, a dedication was formed, as hard as the granite of the Rockies, a dedication to freedom, a commitment to those unalienable human rights and their only possible guarantee: the institutions of democratic government.

A shared history, yes, but more than that, a shared purpose. It must have seemed to Churchill, besieged and isolated as he was in the one corner of Europe still clinging to freedom, that this American Continent and his two great friends and onetime colonies had been placed here by a wise and prescient God, protected between two vast oceans, to keep freedom safe. In the crisis of the moment, Churchill said it was not then time to "speak of the hopes of the future, or the broader world which lies beyond our struggles and our victory." "We must first," he said, "win that world for our children." In a very real sense, that is still our imperative today: to win the world for our children, to win it for freedom. Today our task is not merely the survival of liberty but to keep the peace while we extend liberty to a world desperately in need. Today we still contend against war, against a foreign expansionism, and I will speak to that in a moment.

But I wish first to talk about a second struggle, one that must occupy an equal place in our attentions: the struggle against the plagues of poverty and underdevelopment that still ravage so much of mankind. Our two nations have committed many resources to that struggle, but we have it within our power at this moment to take an

historic step toward a growing world economy and an expanding cycle of prosperity that reaches beyond the industrialized powers even to the developing nations. We can lead, first, by our powerful example, specifically by the example of Prime Minister Mulroney's farsighted proposal to establish a free trade agreement that would eliminate most remaining trade barriers between Canada and the United States.

After the allied victory over the Axis powers, America and Canada combined their efforts to help restore Europe to economic health. Those were golden years of international economic cooperation that saw the creation of GATT, which knocked down the tariff barriers that had so damaged the world economy; the International Monetary Fund; and 30 years ago last month, the creation of the Common Market. The theme that ran through it all was free and fair trade. Free and fair trade was the lifeblood of a reinvigorated Europe, a revitalized free world that saw a generation of growth unparalleled in history.

We must keep these principles fixed in our minds as we move forward on Prime Minister Mulroney's free trade proposal, a proposal that I'm convinced will prove no less historic. Already our two nations generate the world's largest volume of trade. The United States trades more with the province of Ontario alone than with Japan. United States citizens are by far the principal foreign investors in Canada, and Canadians on a per-capita basis are even greater investors in our country. This two-way traffic in trade and investment has helped to create new jobs by the millions, expand opportunity for both our peoples, and augment the prosperity of both our nations.

Prime Minister Mulroney's proposal would establish the largest free trade area in the world, benefiting not only our two countries but setting an example of cooperation to all nations that now wrestle against the siren temptation of protectionism. To those who would hunker down behind barriers to fight a destructive and self-defeating round of trade battles, Canada and the United States will show the positive way. We will overcome the impulse of economic isolationism with a brotherly

embrace, an embrace, it is not too much to hope, that may someday extend throughout the Americas and ultimately encompass all free nations. We can look forward to the day when the free flow of trade, from the southern reaches of Tierra del Fuego to the northern outposts of the Arctic Circle, unites the people of the Western Hemisphere in a bond of mutually beneficial exchange, when all borders become what the U.S.-Canadian border so long has been: a meeting place, rather than a dividing line.

We recognize that the issues facing us are many and difficult. And just as this proud Parliament is watching our negotiations, so, too, is the United States Congress. A comprehensive, balanced agreement that provides open trade and investment on a comprehensive basis, an agreement in which both sides are winners—that is our goal. Augmenting the spirit of the Uruguay trade negotiations, prelude to our economic summit in Venice this June, our free trade discussions here will be a model of cooperation to the world. Mr. Prime Minister, this will be a pioneering agreement worthy of a pioneering people, a visionary strategy worthy of the elected head of one of the world's greatest democracies. Mr. Prime Minister, we salute you, and I pledge to you now that, for our part, we shall commit ourselves and the resources of our administration to good faith negotiations that will make this visionary proposal a reality. And on this, the Canadian people and the Members of Parliament have my word.

Freedom works. The democratic freedoms that secure the God-given rights of man, and the economic freedoms that open the door to prosperity—they are the hope and, we trust, the destiny of mankind. If free trade is the lifeblood, free enterprise is the heart of prosperity. Jobs, rising incomes, opportunity—they must be created, day to day, through the enterprise of free men and women. We've had to learn and relearn this lesson in this century. In my own country, we have witnessed an expansion and strengthening of many of our civil liberties, but too often we have seen our economic liberties neglected, even abused. We have protected the freedom of expression of the author, as we should; but what of the freedom of expression of the entrepreneur,

whose pen and paper are capital and whose profits and whose literature is the heroic epic of free enterprise, a tale of creativity and invention that not only delights the mind but has improved the condition of man, feeding the poor with new grains, bringing hope to the ailing with new cures, vanquishing ignorance with wondrous new information technologies.

In the United States we have found a new consensus among members of both parties in a reformed tax structure that lowers tax rates and frees the spirit of enterprise of our people. Today that consensus is broadening as your great free-market nation seeks to back the first principles of economic growth through rate-reducing tax reform. We've seen movements in Germany and Japan, as well, to cut tax rates. But this must be only the beginning, for what is simply beneficial to us is a matter of the most dire necessity to the nations and peoples of the developing world. And this is the second great example that, together, we offer to the nations of the world in desperate economic need. For the poorer, the more desperate their condition, the more urgently they need the growth that only economic freedom can bring.

We have seen time and again the healing, invigorating effects of economic freedom. Tax rate cuts lifted both Germany and Japan out of postwar stagnation and into the forefront of the world economy. Low tax rates catapulted the nations of the Pacific Basin out of the Third World, making them major economic partners today. A recent study prepared for our government found a direct relationship between the high tax rates and other statist policies of many underdeveloped countries and a cycle of deepening poverty and despair. On the other hand, the study found that countries with low tax rates and free market policies are among the fastest growing in the world, providing improved living standards and increased opportunity for all their people.

We apply the principles of economic freedom at home; we should not export central planning and statist economics abroad. When the Holy Father came to this country, he spoke of the moral obligation of the wealthier nations to share with those less

fortunate. Well, it's time to take up that challenge. Both our countries have been generous donors of foreign aid, and that's important. But our own experience, the experience of this century, has shown that the only effective way to share prosperity is to share the conditions that generate prosperity. History has proven beyond a shadow of a doubt that statism spreads poverty; it is only freedom that begets wealth. And free markets, low tax rates, free trade—this is the most valuable foreign aid we can give to the developing nations of the Third World. These are the weapons of peace we must deploy in the struggle to win a future of liberty for mankind. So many have come to Canada and the United States in hope; let us now give that hope to the world.

Throughout our history, our two nations have keenly felt our international responsibilities. Instrumental in founding and maintaining the NATO alliance, through cooperative efforts in NORAD [North American Aerospace Defense Command], Canada has taken a leading role in defense of the free world. And meanwhile, we have cooperated in extending every effort to lessen the dangers of a nuclear-armed world. Over the past 6 years, the United States, working closely with Canada and our other allies, has sought to achieve deep reductions in Soviet and American nuclear arms. Thanks to the firmness shown by the alliance, we are moving toward a breakthrough agreement that would dramatically reduce an entire class of weapons: American and Soviet longer range, intermediate-range, INF missiles in Europe and Asia.

We've traveled far to get here, from past treaties that only codified the nuclear buildup, to the point where we may soon see the dismantling of thousands of these agents of annihilation. We're hopeful, we're expectant, but we face many difficulties still. As our negotiators continue to work toward a sound agreement, we are not going to abandon our basic principles or our allies' interests for the sake of a quick fix, an inadequate accord. We will work for truly verifiable reductions that strengthen the security of our friends and allies in both Europe and Asia, and that cannot be circumvented by any imbalance in shorter range INF systems. In short, America will stand where

she has always stood: with her allies in defense of freedom and the cause of peace.

We must continue to keep in mind, as well, that a major impetus in our reduction talks has been the growing reality of our Strategic Defense Initiative. SDI supports and advances the objectives of arms control—

Audience member. No way!

The President. —offering a more stable and secure environment as we pursue our goal of deep reductions in nuclear weapons. We must move away from a situation of mutual assured destruction—so aptly called MAD, the MAD policy. We need defensive systems that threaten no one, that would save human lives instead of targeting them. We must remember that the Soviet Union has spent 15 times as much on strategic defenses as we have over the last 10 years, while their record of compliance with existing arms treaties continues to be a cause for concern. Most people do not understand that mutual assured destruction has left our populations absolutely defenseless. This is an intolerable situation. The truly moral course is to move forward quickly with a new strategy of peace based not on the ability to threaten lives but on our own confidence that we can save them. Let us choose a defense that truly defends.

As we've pursued better relations with the Soviet Union, we have labored to deal realistically with the basic issues that divide that nation from the free world. Our insistence that the Soviet Union adhere to its Helsinki human rights agreement is not just a moral imperative; we know that no nation can truly be at peace with its neighbors if it is not at peace with its own people. In recent months we have heard hopeful talk of change in Moscow, of a new openness. Some political prisoners have been released. The BBC [British Broadcasting Corporation] is no longer jammed. We welcome these positive signs and hope that they're only the first steps toward a true liberalization of Soviet society.

To the extent that the Soviet Union truly opens its society, its economy and the life of its people will improve. To that extent, we may hope its aggression will diminish. Disappointingly, however, there so far has

been little movement on the Soviet side toward the peaceful settlement of regional conflicts that today are flaring across the globe. Despite announcements of ceasefires and talk of national reconciliation, the Soviets' terrible war against Afghanistan remains unabated, and Soviet attacks on neighboring Pakistan have escalated dangerously. In Cambodia, Ethiopia, and Angola, the Soviet Union continues to support brutal wars of Communist governments against their own people. In Nicaragua we see such a campaign on our own shores—

[At this point, the President was interrupted by a heckler in the audience.]

—threatening—is there an echo in here? *[Laughter and applause]* Thank you. Such a campaign on our own shores, threatening destabilization throughout Central America—this is not just a question of self-protection; the higher principle is that the people of Nicaragua have the right to decide their own future.

The surest sign that the Soviet Union truly wants better relations, that it truly wants peace, would be to end its global strategy to impose one-party dictatorships, allow the people of this world to determine their own futures in liberty and in peace. We have known that when people are given the opportunity to choose, they choose freedom. Truly, the future belongs to the free. In our own hemisphere we've seen a freedom tide sweep over South and Central America. Six years ago only 30 percent of the people of Latin America lived in democracies; today over 90 percent do. Around the world resistance movements are rising up to throw off the totalitarian yoke. Even in China, they debate the pace of reform, but acknowledge its necessity.

On the border between Canada and the United States stands a plaque commemorating over a century and a half of friendship. It calls the border, "a lesson of peace to all nations." And that's what it is: a concrete, living lesson that the path to peace is freedom, that the relations of free peoples—no matter how different, no matter how distinct their national characters—those relations will be marked by admiration, not hostility. Go stand along the border at the be-

ginning of July. You'll see the Maple Leaf and the Stars and Stripes mixed in a swirling cloud of visitors and celebrants. As a Canadian writer once put it: What's the difference between Dominion Day and July Fourth? About 48 hours. *[Laughter]* Yes, we have differences, disputes, as any two sovereign nations will; but we're always able to work them out, *entre amis* [between friends].

One area of particular concern to all Canadians, I know, is the problem of acid rain. When the Prime Minister and I met in Quebec 2 years ago, we appointed two distinguished envoys, Bill Davis and Drew Lewis, to examine the problem. They issued a joint report, which we have endorsed, and we're actively implementing many of their recommendations. The first phase of our clean coal technology program is underway, the beginning of a \$6 billion commitment through 1992, and I have asked Congress for the full share of government spending recommended by the envoys, \$2½ billion, for the demonstration of innovative pollution-control technologies over the next 5 years. Literally thousands of firms and millions of jobs will be affected by whatever steps we take on this problem, so there are no quick and easy answers. But working together, we have made an important start, and I am convinced that, as in the past, our disputes will bring us closer as we find a mutual accord, our differences will become only another occasion for cooperation. Let me assure you that your concerns are my concerns.

I was struck recently by the words of a Canadian—a Hungarian-Canadian you might call him—who came to this country, as so many before him, to escape oppression. "I wanted to stretch," he said. "I needed a place where I could move mountains or carry larger stones than Sisyphus, and here was the place for it—nobody telling me what I'm supposed to believe as a Canadian—gave me a kind of freedom for my mind and my spirit and my creative energies that I had never experienced before in life. And I found that for me anyhow, anything could be possible here." This is your Canada, and our continent. This is the chosen place in history our two

nations occupy: a land where the mind and heart of man is free, a land of peace, a land where indeed anything is possible.

Let me add a word, if I can, about our discussions today on two issues of critical interest to our two countries. The Prime Minister and I agreed to consider the Prime Minister's proposal for a bilateral accord on acid rain, building on the tradition of agreements to control pollution of our shared international waters. The Prime Minister and I also had a full discussion of the Arctic waters issue, and he and I agreed to inject

new impetus to the discussions already underway. We are determined to find a solution based on mutual respect for sovereignty and our common security and other interests.

Thank you all very much, and God bless you all.

Note: The President spoke at 2:51 p.m. in the Speaker's Chamber in the Centre Block of Parliament. Following his address, he returned to Washington, DC.

Proclamation 5625—Know Your Cholesterol Week, 1987 April 6, 1987

*By the President of the United States
of America*

A Proclamation

Heart disease and heart attacks are the primary cause of death among Americans. Scientific research has clearly established elevated blood cholesterol as one of the three major modifiable risk factors for coronary heart disease. Research has also demonstrated the encouraging news that people can reduce their risk of heart disease by lowering high blood cholesterol.

Having blood cholesterol checked is the only way to know whether we are at high risk or not. The testing of cholesterol level is the first step toward identifying and controlling a serious condition that is a major contributor to America's number one killer.

More than 20 medical, public health, and voluntary health organizations have joined with the National Heart, Lung, and Blood Institute to form the National Cholesterol Education Program. These and other organizations have endorsed "Know Your Cholesterol" as an educational theme of this national effort.

The Congress, by Public Law 100-13, has

designated the week of April 5 through April 11, 1987, as "Know Your Cholesterol Week" and authorized and requested the President to issue a proclamation in observance of this event.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week of April 5 through April 11, 1987, as Know Your Cholesterol Week. I urge all Americans to become familiar with the dangers of high blood cholesterol and to take steps to determine their cholesterol levels and discuss the implications of their cholesterol measurement at their next visit to their doctor.

In Witness Whereof, I have hereunto set my hand this sixth day of April, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 3:10 p.m., April 7, 1987]

Note: The proclamation was released by the Office of the Press Secretary on April 7.

Nomination of Carl D. Covitz To Be Under Secretary of Housing and Urban Development

April 7, 1987

The President today announced his intention to nominate Carl D. Covitz to be Under Secretary of Housing and Urban Development. He would succeed Lee L. Verstandig.

Mr. Covitz is currently president of Landmark Communities, Inc., in Beverly Hills, CA. Previously, he was vice president for marketing, ITT/Levitt & Sons, 1970-1973; national marketing manager for Canada Dry Corp., 1968-1970; and director of marketing for Rheingold Breweries, 1966-1968. Mr. Covitz was the product manager for

Bristol-Myers Co., 1962-1968. In 1981 he served on the Executive Committee of the President's Private Sector Survey on Cost Control.

Mr. Covitz graduated from the Wharton School of Business and Commerce (B.S., 1960) and Columbia University (M.B.A., 1962). He served in the Army Reserve, 1960-1966. Mr. Covitz was born March 31, 1939, in Boston, MA. He is married and has two children. Mr. Covitz resides in Los Angeles, CA.

Nomination of Jack R. Lousma To Be a Member of the General Advisory Committee of the United States Arms Control and Disarmament Agency

April 7, 1987

The President today announced his intention to nominate Jack R. Lousma to be a member of the General Advisory Committee of the United States Arms Control and Disarmament Agency. He would succeed William Robert Graham.

Since 1983 Mr. Lousma has been an aerospace consultant for the Environmental Research Institute in Ann Arbor, MI. Previously he was an astronaut, National Aeronau-

tics and Space Administration, 1966-1983. Mr. Lousma served in the United States Marine Corps, 1959-1983.

Mr. Lousma graduated from the University of Michigan (B.S., 1959) and received his degree in aeronautical engineering from the United States Naval Postgraduate School (1965). Mr. Lousma was born February 29, 1936. He is married, has four children, and resides in Ann Arbor, MI.

Nomination of Victor H. Frank, Jr., To Be United States Director of the Asian Development Bank, With the Rank of Ambassador

April 7, 1987

The President today announced his intention to nominate Victor H. Frank, Jr., to be United States Director of the Asian Development Bank, with the rank of Ambassador. He would succeed Joe O'Neal Rogers.

Mr. Frank is presently the corporate vice president of government relations with

CPC International, Inc. Previously, he was the vice president of information resources, CPC International, Inc., 1982-1985, and has been with CPC International, Inc., since 1966.

Mr. Frank graduated from Yale University (B.A., 1950); Yale University School of

Law (LL.B., 1953); and New York University (LL.M., 1960). He was a member of the 1948 United States Olympic team (discus). Mr. Frank served in the United States

Navy, 1945–1946. He was born April 4, 1927, in Philadelphia, PA. Mr. Frank is married and has three children. He resides in Englewood, NJ.

Nomination of Kenneth Leon Nordtvedt, Jr., To Be a Member of the National Science Board

April 7, 1987

The President announced today his intention to nominate Kenneth Leon Nordtvedt, Jr., to be a member of the National Science Board, National Science Foundation, for the remainder of the term expiring May 10, 1990. He would succeed Simon Ramo.

Since 1970 Mr. Nordtvedt has been a professor of physics at the Montana State University. He served in the Montana State

House of Representatives from 1979 to 1984. Mr. Nordtvedt served as a consultant to the Department of Energy in 1983.

Mr. Nordtvedt graduated from the Massachusetts Institute of Technology (B.S., 1960) and Stanford University (M.S., 1962; Ph.D., 1964). He was born April 16, 1939, in Chicago, IL. Mr. Nordtvedt is married and has three children. He resides in Bozeman, MT.

Nomination of Archie C. Purvis To Be a Member of the Board of Directors of the Corporation for Public Broadcasting

April 7, 1987

The President today announced his intention to nominate Archie C. Purvis to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1991. He would succeed Sonia Landau.

In 1980 Mr. Purvis joined ABC Video Enterprises as vice president, video sales division. Since then he has served as vice president of sales and marketing, and vice president and general manager, ABC Video Enterprises. Mr. Purvis is now senior vice president of ABC Distribution Co., a division of Capital Cities/ABC, Inc. He served as director, industrial marketing, MCA, Inc.,

1977–1979. Mr. Purvis was executive vice president and partner of Lear Purvis Walker & Co., 1974–1976. He was a national sales manager for Polaroid Corp., 1966–1974, and served as an account manager for General Foods Corp., 1963–1966.

Mr. Purvis attended Brigham Young University, 1958–1959; the University of Munich, 1962–1963; and the City College of New York, school of business, 1963–1966. He served in the United States Army, 1959–1962. Mr. Purvis was born May 24, 1939, in New York, NY. He is married and has one child. Mr. Purvis resides in Woodland Hills, CA.

Nomination of M. Peter McPherson To Be Deputy Secretary of the Treasury

April 7, 1987

The President today announced his intention to nominate M. Peter McPherson, of Virginia, to be Deputy Secretary of the Treasury. He would succeed Richard G. Darman.

Mr. McPherson is currently Administrator, Agency for International Development. He served as Acting Counsel to the President (January 20–February 26, 1981) and was general counsel to the Reagan-Bush transition (November 5, 1980–January 20, 1981). Prior to that time, Mr. McPherson was a partner and head of the Washington office of the Ohio-based law firm of Vorys, Sater, Seymour and Pease (1977–1980). He

served as Special Assistant to President Ford and Deputy Director of Presidential Personnel in the Ford White House (1975–1977). Mr. McPherson was a tax law specialist for the Internal Revenue Service (1969–1975) and served as a Peace Corps volunteer during the 1960's.

Mr. McPherson graduated from Michigan State University (B.A., 1963); Western Michigan University (M.B.A., 1967); and American University Law School (J.D., 1969). Mr. McPherson was born October 27, 1940, in Grand Rapids, MI. He has two children and resides in Arlington, VA.

Appointment of Twelve Members of the Advisory Committee for Trade Negotiations

April 7, 1987

The President today announced his intention to appoint the following members of the Advisory Committee for Trade Negotiations for terms of 2 years:

John F. Akers, of Connecticut. He would succeed Warren S. Chase. Mr. Akers is currently chairman of the board, president, and chief executive officer, IBM Corp. He joined IBM in 1960. Mr. Akers graduated from Yale University (B.S., 1956). He served in the United States Navy, 1956–1960. Mr. Akers was born December 28, 1934, in Boston, MA. He is married, has three children, and resides in Westport, CT.

Lawrence A. Bossidy, of Connecticut. He would succeed Barbara Hackman Franklin. Mr. Bossidy is currently vice chairman of the board and director, General Electric Co. Previously he served as executive vice president of General Electric, 1981–1984. Mr. Bossidy graduated from Colgate University (B.A., 1957). He was born March 5, 1935, in Pittsfield, MA. He is married, has nine children, and resides in Ridgefield, CT.

Donald Butler, of Arizona. He would succeed Richard Edwin Heckert. Mr. Butler is currently

president, National Cattlemen's Association. Previously he served as president, Coronado Cattle Co., Inc., 1970–1986. Mr. Butler graduated from the University of Arizona (B.S., 1951). He served in the United States Army Air Corps, 1944–1946. Mr. Butler was born December 1, 1925, in Evanston, IL. He is married, has six children, and resides in Tucson, AZ.

James R. Houghton, of New York. He would succeed Francis P. Graves, Jr. Mr. Houghton is currently chairman of the board and chief executive officer, Corning Glass Works. He served as vice chairman of Corning Glass Works, 1971–1983. Mr. Houghton graduated from Harvard College (A.B., 1958; M.B.A., 1962). He was born April 6, 1936, in Corning, NY. Mr. Houghton is married and has two children. He resides in Corning, NY.

Hamish Maxwell, of New York. He would succeed Gerald E. Kremkow. He is currently chairman of the board and chief executive officer, Philip Morris Co., Inc. Previously he was president and chief operating officer, Philip Morris, Inc., 1983–1984. Mr. Maxwell graduated from Cambridge University (B.A., 1946). He

served in the Royal Air Force, 1944–1947. Mr. Maxwell was born August 24, 1926, in Liverpool, England. He is married, has two children, and resides in Brooklyn, NY.

N.J. Nicholas, Jr., of New York. He would succeed Lloyd I. Miller. Mr. Nicholas is currently president and chief operating officer, Time, Inc. Previously he served as executive vice president, Time, Inc., 1984–1986. Mr. Nicholas graduated from Princeton University (A.B., 1962) and Harvard Business School (M.B.A., 1964). Mr. Nicholas was born September 3, 1939, in Portsmouth, NY. He is married and resides in New York City.

Paul F. Orefice, of Michigan. He would succeed Thomas C. Theobald. Mr. Orefice is currently chairman, president, and chief executive officer of Dow Chemical Co. He has been with the company since 1953. Mr. Orefice graduated from Purdue University (B.S., 1949). He served in the United States Army, 1951–1953. Mr. Orefice was born in Venice, Italy. He is married and has two children. Mr. Orefice resides in Midland, MI.

John M. Richman, of Illinois. He would succeed Peter C. Murphy, Jr. Mr. Richman is currently chairman of the board and chief executive officer, Kraft, Inc. Previously he served as chairman and chief executive officer, Dart & Kraft, Inc., 1980–1986. Mr. Richman graduated from Yale University (B.A., 1949) and Harvard Law School (LL.B., 1952). Mr. Richman was born November 9, 1927, in New York, NY. He is married and has two children.

Mr. James D. Robinson III, of Connecticut. He would succeed John Roberts Opel. Mr. Robinson is currently chairman and chief executive officer, American Express Co. Previously he served as president, American Express Co.,

1975–1977. Mr. Robinson graduated from Georgia Institute of Technology (B.S., 1957) and Harvard University (M.B.A., 1961). He served in the United States Naval Supply Corps, 1957–1959. Mr. Robinson was born November 19, 1935, in Atlanta, GA. He is married and has two children.

George A. Schaefer, of Illinois. He would succeed Michael S. Robertson. Mr. Schaefer is currently chairman, chief executive officer, and director, Caterpillar, Inc. Previously he served as vice chairman, Caterpillar, Inc., 1984–1985. Mr. Schaefer graduated from St. Louis University (B.S., 1951). He served in the United States Marine Corps, 1946–1948. Mr. Schaefer was born June 13, 1928. He is married and has two children.

Frank A. Shrontz, of Washington. He would succeed J. Gary Shansby. Mr. Shrontz is currently president and chief executive officer, Boeing Co. Previously he served as vice president, sales, Boeing Co., 1982–1984. Mr. Shrontz graduated from the University of Indiana (B.Laws, 1954) and Harvard Graduate School (M.B.A., 1958). He served in the United States Army, 1954–1956. Mr. Shrontz was born December 14, 1931, in Boise, ID. He is married and has three children. Mr. Shrontz resides in Mercer Island, WA.

Edson W. Spencer, of Minnesota. He would succeed Jo Ann Doke Smith. Mr. Spencer is currently chairman and chief executive officer, Honeywell, Inc. Previously he was president, Honeywell, Inc., 1974–1978. Mr. Spencer joined Honeywell in 1954. Mr. Spencer graduated from Williams College (B.A., 1948) and Oxford University (B.A., M.A., 1950). He was born on June 4, 1926, in Chicago, IL. Mr. Spencer is married, has four children, and resides in Longlake, MN.

Remarks and a Question-and-Answer Session With Reporters on United States Embassy Security in Moscow *April 7, 1987*

The President. I just wanted to come in here to tell you that I am deeply concerned over the breach of security in our Moscow Embassy, and while all the facts are not known, it is clear that security implications are widespread and that additional quick action is required to prevent further

damage to our national security. Two weeks ago, when the severity of the situation became clear, I convened a meeting of my national security advisers and ordered Frank Carlucci to immediately begin an internal assessment of the damage.

And today I want to announce some addi-

tional actions. The United States will not occupy our new embassy building in Moscow unless and until I can be assured that it is safe to move into a secure embassy environment. Likewise, the Soviet Union will not be allowed to occupy their new facility in Washington until a simultaneous move by both countries is possible.

I've instructed the Secretary of State to make embassy security a major agenda item during his upcoming talks in Moscow, and I have asked Former Defense Secretary Mel Laird to chair an assessment review panel under the general authority of the Secretary of State. In addition, I've instructed the Chairman of my Foreign Intelligence Advisory Board [PFIAB], Ambassador Anne Armstrong, to examine the procedures and practices used in our embassies worldwide to protect American facilities. I've requested that both reports from the Secretary of State and PFIAB be transmitted to me within 90 days. Specifically, both the Secretary of State and PFIAB have been tasked to evaluate the condition of our new building and ascertain whether it will ever be secure or whether it may be necessary to destroy and rebuild it.

Finally, I have instructed the Secretaries of State and Defense to recommend to me the future management of security personnel at the U.S. Embassy in the U.S.S.R. and elsewhere with respect to length of assignment, selection of personnel, and their supervision. These reports will be coordinated by the National Security Council, which shall in turn make comprehensive recommendations to me on counterintelligence and security policies, procedures, and accountability.

Q. Mr. President, Henry Kissinger said that it is humiliating for George Shultz to go to Moscow right now, that he should be meeting instead in Helsinki, perhaps, because we should not be going under these circumstances without having secure communications.

The President. Well, I have great respect for Henry and great friendship, but I have to oppose him on this. I just don't think it's good for us to be run out of town.

Q. Mr. President, how can you ask the Secretary of State to do business with the Soviets on arms control when they have ap-

parently compromised the U.S. position in Moscow so badly? How can you deal with them under these circumstances?

The President. Well, I think the whole business of espionage worldwide is something that we have to recognize takes place, and counterespionage is employed by everyone. But at the same time, you don't stop doing business.

Q. You mean, this is business as usual, sir? Business as usual?

The President. Well, now, just a minute—"as usual." We have sent 81 of their agents in this country home, kicked them out of the country. And they're still willing to talk arms with us.

Q. Mr. President, has this changed the way you look at the Soviets? Is this changing our relations with them?

The President. Well, I think I've been rather realistic about the Soviet Union for quite some time, and believe me, it doesn't surprise me a bit. And no, I haven't changed my view of the Soviet Union.

Q. Well, is this a new problem, Mr. President? Hasn't this been going on a long time, and haven't you had reports? I mean, how long have we had Soviet employees in our embassy? And we understand that you have received reports since '85.

The President. And we have ordered, then, the beginning of actions to try and find out and establish if such a thing was going on.

Q. Mr. President, can I follow specifically on that? Because there was a report in '85 by your own Foreign Intelligence Advisory Board that you're calling on now for another report, and they told you that the Embassy was vulnerable and specifically called on you in '85, the spring of '85, to get rid of Soviet personnel. Yet you did nothing about it, and one of the members, H. Ross Perot, quit.

The President. This report did come in, and we immediately started, and did accomplish, a reduction of the personnel—in stages—that were there. And I must say, we did run into some embassy problems and opposition, because it isn't exactly a place where you can just go out and hire Americans to go and take jobs like that in the Soviet Union. But as we were continuing

with that, then the Soviet Union took——

Q. Was Hartman to blame?

The President. ——the first lead and ordered their people out.

Q. But, Mr. President, if Gorbachev changes his mind, will you then allow Soviets to become reemployed at our embassy there? And how extensive is the problem in other Soviet-bloc embassies?

The President. We are investigating the whole area of embassies. Listen, Frank is going to take all of your questions. Unfortunately—and I'm not ducking you; I've tried to answer a few——

Q. There's one question that I've had on my mind.

Q. Would you rehire them?

The President. What?

Q. Would you rehire them, sir, if Mr. Gorbachev changes his mind?

The President. No. I think we should have our own personnel.

Q. Mr. President, do you think that Colonel North——

Q. ——employees that were sent home, Mr. President——

Q. Did Colonel North——

The President. What? Wait a minute. Wait a minute.

Q. Did Colonel North take orders from Mr. Casey at any time in terms of *contra* aid?

The President. I don't know.

Q. Mr. President, what about the nine contract employees, American contract employees, who were sent home within the last 2 months? That was just disclosed today by the State Department.

The President. Well, I have just told you what our position is going to be about that embassy building.

Q. Well, are you——

Q. Mr. President, is it possible that——

The President. I'm going to leave it to him because——

Q. ——in 1981——

The President. ——this was wrung in the middle of my schedule, and honestly, I am——

Q. Are you interested in the new test ban proposal from the Soviets? Is that at least an encouraging sign?

The President. We think that it's encouraging—their whole attitude to arms—which has never before been true with any of the other previous Soviet leaders.

Q. Mr. President, Richard Allen says that in 1981 he recommended that all the Soviet nationals be dismissed from the U.S. Embassy in Moscow and that the State Department blocked that. Do you——

The President. As I told you, it was not an easy problem. But when the second report came in with us here, we did start and we did make some reductions and we're proceeding on that.

Q. Was Ambassador Hartman responsible, sir? Was Ambassador Hartman responsible?

The President. I'm not going to—I can't speak for any individual who——

Q. Thank you.

Note: The President spoke at 1:49 p.m. to reporters in the Briefing Room at the White House. Frank C. Carlucci was Assistant to the President for National Security Affairs. Oliver North was a former member of the National Security Council staff, William J. Casey was the former Director of Central Intelligence, Richard V. Allen was a former Assistant to the President for National Security Affairs, and Arthur A. Hartman was a former U.S. Ambassador to the Soviet Union.

Nomination of William John Maroni To Be an Assistant Secretary of Labor

April 8, 1987

The President today announced his intention to nominate William John Maroni to be an Assistant Secretary of Labor (Congressional Affairs). This is a new position.

Mr. Maroni is currently Deputy Under Secretary, Congressional Affairs, at the Department of Labor. Previously, he served as Assistant U.S. Trade Representative for Congressional Affairs (January 1985–May 1985); Director, Office of Congressional Af-

fairs, Office of the U.S. Trade Representative (1981–1985); and legislative assistant to Senator John H. Chafee (1978–1981).

Mr. Maroni graduated from Harvard College (B.A., 1977) and Harvard University, Kennedy School of Government (1984). Mr. Maroni was born January 17, 1955, in Providence, RI. He is married and resides in Washington, DC.

Nomination of Thomas C. Ferguson To Be United States Ambassador to Brunei Darussalam

April 8, 1987

The President today announced his intention to nominate Thomas C. Ferguson to be Ambassador of the United States to Brunei Darussalam. He would succeed Barrington King.

Mr. Ferguson began his career as an attorney with Woodson, Pattisall & Garner in Chicago, IL, 1959–1960. In August of 1960, he served on the campaign staff of Senator John S. Cooper in Washington, DC, until November 1960. He then joined the law firm of Sandidge, Hollbrook & Craig in Owensboro, KY, and was an attorney there until 1963. From 1963 to 1975, he was marketing manager, Pharmaseal Labs, Inc., in Glendale, CA. Mr. Ferguson then became owner and president of Brevard Marina,

Inc., Marina & Shipyard in Melbourne, FL, until 1977–1982, when he became owner and president of Atlantic Salvage Systems (underwater exploration) in Indialantic. In 1982 he joined the Government as Director for the Eastern Caribbean with the Peace Corps. Since 1984 Mr. Ferguson has been Deputy Commissioner of the Immigration and Naturalization Service, Department of Justice, Washington, DC.

Mr. Ferguson graduated from Vanderbilt University (B.A., 1955) and Vanderbilt Law School (J.D., 1959). He served in the United States Army in 1956. Mr. Ferguson was born November 27, 1933, in Henderson, KY. He is married, has three children, and resides in Washington, DC.

Nomination of Anthony J. Gabriel To Be Inspector General of the United States Information Agency

April 8, 1987

The President today announced his intention to nominate Anthony J. Gabriel to be Inspector General, United States Information Agency. This is a new position.

Mr. Gabriel has been serving as Inspector General for the United States Information Agency since 1985. Previously, he was Deputy Inspector General, Department of

Agriculture, 1981–1985; and Assistant Inspector General for Auditing at the National Aeronautics and Space Administration.

Mr. Gabriel graduated from the University of Scranton (B.S., 1955) and Central Michigan University (M.A., 1977). He

served in the United States Army, 1956, and the United States Army Reserve, 1956–1964. Mr. Gabriel was born August 17, 1933, in Peckville, PA. He is married, has three children, and currently resides in Alexandria, VA.

Appointment of Narendra N. Gunaji as the United States Commissioner on the International Boundary and Water Commission, United States and Mexico

April 8, 1987

The President today announced his intention to appoint Narendra N. Gunaji to be Commissioner of the United States Section of the International Boundary and Water Commission, United States and Mexico. He would succeed Joseph F. Friedkin.

Since 1960 Mr. Gunaji has been assistant, associate, and professor of civil engineering at New Mexico State University. He served as director, engineering experiment station,

New Mexico State University, 1966–1982; and director, Building Materials Research and Testing Institute, 1976–1982.

Mr. Gunaji graduated from the University of Poona in India (B.S., 1953) and the University of Wisconsin (M.S., 1955; Ph.D., 1958). He was born January 9, 1931, in Belgaum, India. Mr. Gunaji is married and has five children. He currently resides in Las Cruces, NM.

Appointment of Mary Lou O'Brien as a Member of the Commission for the Preservation of America's Heritage Abroad

April 8, 1987

The President today announced his intention to appoint Mary Lou O'Brien to be a member of the Commission for the Preservation of America's Heritage Abroad for the remainder of the term expiring February 27, 1989. She would succeed Alma Lee Gildenhorn.

Mrs. O'Brien has been active in community and civic work in Illinois: Visitation Aid Society, Boys Club Auxiliary, United Way Campaign, Red Cross volunteer, and Republican Women's Club. She has been ac-

tively involved in the political campaigns of George O'Brien for county board of commissioners, 1956–1964; Illinois State representative, 1970; and Representative in Congress, 1972–1986. Mrs. O'Brien served as chairman, 1974 Congressional Wives Club seminar for new Members' wives.

Mrs. O'Brien graduated from the University of Wisconsin (B.A., 1947). She was born March 11, 1926, in Joliet, IL. Mrs. O'Brien has two children and currently resides in Alexandria, VA.

Appointment of Isadore M. Singer as a Member of the President's Committee on the National Medal of Science

April 8, 1987

The President today announced his intention to appoint Isadore M. Singer to be a member of the President's Committee on the National Medal of Science for a term expiring December 31, 1989. He would succeed Laddie Hughes.

Since 1983 Mr. Singer has been professor of mathematics at the Massachusetts Institute of Technology. Previously he was pro-

fessor of mathematics, University of California at Berkeley, 1979-1983.

Mr. Singer graduated from the University of Michigan (B.S., 1944) and the University of Chicago (M.S., 1948; Ph.D., 1950). He was born May 4, 1924, in Detroit, MI. Mr. Singer is married, has five children, and resides in Boxborough, MA.

Proclamation 5626—National Former POW Recognition Day, 1987

April 8, 1987

By the President of the United States of America

A Proclamation

More than 80,000 Americans living today are former prisoners of war. Many of these courageous men and women were subjected for months and years to brutal and inhumane treatment by their captors, in violation of international codes and customs for the treatment of prisoners of war. Many prisoners died or were disabled; all suffered prolonged and extraordinary hardships. The members of their families also endured torment, the agony of prolonged separation or of having no word of their loved ones.

The great courage and sacrifices of American prisoners of war and their families will live in the memory of our countrymen forever. These patriots—who served and suffered and prevailed for love of our country—deserve every tribute from a Nation proud and solemnly grateful for their faith and their valor.

The Congress, by Senate Joint Resolution 47, has designated April 9, 1987, as "Nation-

al Former POW Recognition Day" and authorized and requested the President to issue a proclamation in observance of this event.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim April 9, 1987, National Former POW Recognition Day, and I urge all Americans to acknowledge the special debt we owe to our fellow citizens who underwent a great ordeal in the service of our country, and to their families. I also call upon government officials and private organizations to observe this day with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this 8th day of April, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:10 a.m., April 9, 1987]

Proclamation 5627—Small Business Week, 1987

April 8, 1987

*By the President of the United States
of America*

A Proclamation

An essential part of our heritage as Americans is our free enterprise system. America's millions of small business men and women exemplify the freedoms we all have—the freedoms to produce and create wealth as we choose, to earn and save and invest, to make opportunities for ourselves and others. Our rights to life, liberty, and the pursuit of happiness include and presuppose these rights, and our system of limited constitutional government enshrines them and protects them equally for all. We should be extremely grateful to all entrepreneurs for reminding us in their daily lives of the blessings and importance of economic freedom.

We can also be grateful for small business men and women's tremendous contributions to our economy, our competitiveness, and our entire way of life. They create wealth. They develop new products and services, enhance existing ones, offer jobs and opportunities to millions of other Americans, and help fuel our economic expansion for the benefit of all. Their innovation, initiative, and example prompt hundreds of thousands of Americans, including young

people, to join their ranks and start their own small businesses each year. In just this way, through the years, have America's communities been born, our people employed, our towns and cities grown.

The creativity, confidence, and skills of small business men and women help ensure that America will continue to grow and prosper in freedom and opportunity. That is a source of great pride to every American.

Now, Therefore, I, Ronald Reagan, President of the United States of America, by virtue of the authority vested in me by the Constitution and the laws of the United States, do hereby proclaim the week of May 10 through May 16, 1987, as Small Business Week, and I urge all Americans to join with me in saluting our small business men and women by observing that week with appropriate activities.

In Witness Whereof, I have hereunto set my hand this eighth day of April, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:11 a.m., April 9, 1987]

Remarks at a Meeting With Members of the Advisory Committee for Trade Negotiations

April 8, 1987

The President. Well, Clayton and Ed, I want to welcome you and all the members of my Advisory Committee on Trade Negotiations to the White House today. And I know, as you've been told, I was in Canada Sunday and Monday, and I'm glad to have this opportunity to maybe give you a personal word, although I understand you had a report on our trip there.

You could tell by the reception that we

got in the Canadian Parliament that a free trade agreement between Canada and the United States is an idea whose time has come. They were most enthusiastic about it. And I pledged to Prime Minister Mulroney and the people in Canada that we're going all out to make this visionary proposal a reality, not just for the prosperity and jobs it would create in both our countries but as an example to all the world that free and

fair trade is the way to go, and not protectionism.

I believe in an America that can meet the challenge of the 21st century, and this means better educating our young people, better training our workers, protecting our intellectual property, reforming our anti-trust laws and trade laws when necessary, and pursuing multilateral trade negotiations—and, yes, taking tough actions to open foreign markets that are closed to American exports. We have a comprehensive plan to deal with these issues, and we believe we can achieve them. In fact, much has already been done, as Clayton knows and has been seeing that it gets done. And you've proved to be invaluable advisers to Clayton and to me on the development and execution of our trade policy.

Reporter. Mr. President, are you considering rescinding your trade tariff restrictions against the Japanese? Are you impressed by what they've done? You call for free trade.

The President. We haven't had an oppor-

tunity yet to get together on that, but we're going to be treating that problem, and I'm looking forward to a visit by the Prime Minister.

Q. Are you convinced you're heading for a showdown with him when he's here?

The President. Well, he has been most cooperative with us, and I think he still has that same feeling about finding agreements that are fair to both sides.

Q. So, you'd like to avoid those tariffs, if possible?

Q. Well, they go into effect April 17th. Are they going to go into effect, these new restrictions?

The President. That's the way it sets now unless some decision is made on their part.

Note: The President spoke at 2:10 p.m. in the Cabinet Room at the White House. In his opening remarks, he referred to Clayton Yeutter, U.S. Trade Representative, and Edmund T. Pratt, Acting Chairman of the Committee.

Remarks at a White House Ceremony To Unveil a Commemorative Stamp Honoring Dr. Harvey Cushing

April 8, 1987

We're here today to honor one of the great figures in American medicine and a pioneer in the field of surgery. Harvey Cushing is rightly known as the father of American neurosurgery. He was an extraordinary doctor who served on the faculties of several medical schools, such as Yale and Harvard, and was responsible for many breakthroughs in neurological surgery. Today his work is continued by the association that bore his name when it was founded: the American Association of Neurological Surgeons, a gathering of North American neurosurgeons who carry on the high professional and scientific standards that characterized his life and work.

Besides his professional and scientific accomplishments, this noted doctor had other sides to him. His former assistant, my father-in-law, Loyal Davis, noted once that he had learned not only clinical neurologi-

cal diagnosis and surgical techniques from this man but many other things like professional discipline and dedication, not to mention, as Dr. Davis put it, "how to write a medical article with style."

Like the others who've been honored by the issuance of a stamp in this series, Harvey Cushing is an American who made a difference in his chosen field, a man whose professional dedication and personal genius advanced the cause of science and medicine and made a difference in the lives of countless people. And now, with the help of Postmaster General Tisch, we will unveil the stamp. And after that, Nancy and I look forward to meeting each of you shortly on the State Floor in the White House.

Note: The President spoke at 3:34 p.m. in the Rose Garden at the White House. Following the ceremony, the President hosted a

reception in the State Dining Room for Mrs. John Hay Whitney, Dr. Cushing's daughter, and representatives of the American Association of Neurological Surgeons. The Dr. Harvey Cushing stamp was part of the U.S.

Postal Service's "Great American" series, initiated in 1980 to recognize individuals for significant contributions to the Nation's heritage and culture.

Statement by Assistant to the President for Press Relations Fitzwater on the Iran Arms and *Contra* Aid Controversy Investigations

April 8, 1987

An agreement satisfactory to all parties has been reached with the Independent Counsel and congressional investigating committees to review the President's notes concerning the Iran-Nicaragua affair. Counsel to the President will review the President's notes from January 1, 1984 (the beginning date of the Independent Counsel's mandate) through December 19, 1986 (the

date the Independent Counsel was appointed by the court). Counsel will excerpt relevant material for review by the Independent Counsel and the chairman of the House and Senate Select Committees or their designated staff. The reviewers will have full access to the typewritten excerpts and may take notes, but no copies will be allowed.

Nomination of Gerald J. McKiernan To Be an Assistant Secretary of Commerce

April 9, 1987

The President today announced his intention to nominate Gerald J. McKiernan to be an Assistant Secretary of Commerce (Congressional and Intergovernmental Affairs). He would succeed Paul A. Vander Myde.

Mr. McKiernan is currently Deputy Assistant Secretary for Congressional Affairs at the Department of Commerce. Previously he was Director of Congressional Affairs at the International Trade Administration, Department of Commerce, 1981-1983. Prior

to this, he served 10 years on Capitol Hill as a principal aide to Congressman Stewart B. McKinney of Connecticut's 4th Congressional District. Mr. McKiernan entered government service after a career in journalism.

Mr. McKiernan graduated from the University of New Haven (A.B., 1964). He was born March 3, 1942, in New Haven, CT. Mr. McKiernan is married, has one child, and resides in Chevy Chase, MD.

Nomination of Robert M. Smalley To Be United States Ambassador to Lesotho

April 9, 1987

The President today announced his intention to nominate Robert M. Smalley to be United States Ambassador to the Kingdom of Lesotho. He would succeed S.L. Abbott.

Mr. Smalley began his career as a film script reader and junior writer for Lester Cutler Productions, Motion Picture Center Studios, Hollywood, CA, in 1948. From 1949 to 1950, he was a freelance writer in Sydney, Australia. He returned to Hollywood in 1950 and became radio news writer/editor for network reporter Sam Hayes, Mutual-Don Lee Broadcasting System. From 1956 to 1957, he served as executive assistant to senior partner Clem Whitaker of Whitaker & Baxter. In 1957 he became manager, Agricultural Information, Inc., in Sacramento and then returned to Whitaker & Baxter as an assistant to the partners, 1959 to 1961. From 1961 to 1964, Mr. Smalley was confidential secretary to the mayor of San Francisco, George Christopher. He then served as assistant director of public relations, press secretary, and director of public relations for the Republican National Committee, 1964-1965. In 1965 he became vice president of Whitaker & Baxter. In 1968 he served for a time as assistant press secretary to Vice Presidential candidate Spiro Agnew, Nixon-Agnew Com-

mittee, returning to Whitaker & Baxter until 1969. Mr. Smalley then became Special Assistant to Secretary of Commerce Maurice H. Stans, 1969-1972, to be followed in 1972-1973 as administrative assistant and campaign manager to Senator Robert P. Griffin. From 1973 to 1975, he was director of corporate affairs, Potomac Electric Power Co., Washington, DC. In 1975 Mr. Smalley was appointed U.S. representative to the Development Assistance Committee, Organization for Economic Cooperation and Development, Paris, France. He returned in 1977 to serve as special assistant to Senator Robert P. Griffin for a year. In 1979 he served as assistant to the campaign manager, Reagan for President Committee in Washington, DC, before becoming senior adviser and project manager, management communications, IBM, Armonk, NY. In 1982 Mr. Smalley returned to Washington as Deputy Assistant Secretary of State for Public Affairs, where he has been serving since.

Mr. Smalley attended the University of California at Los Angeles, 1946-1947. He served in the United States Navy, 1944-1946. Mr. Smalley was born November 14, 1925, in Los Angeles, CA. He is married, has two children, and resides in Chevy Chase, MD.

Nomination of Leslie Lenkowsky To Be a Member of the National Council on the Handicapped

April 9, 1987

The President today announced his intention to nominate Leslie Lenkowsky to be a member of the National Council on the Handicapped for the remainder of the term expiring September 17, 1987. He would succeed Justin W. Dart, Jr. He would also be nominated for a term expiring September 17, 1990. This is a reappointment.

Mr. Lenkowsky is currently president of

the Institute for Educational Affairs. Previously, he was resident fellow at the American Enterprise Institute for Public Policy Research, January 1985-October 1985; Deputy Director, United States Information Agency, 1983-1984; and director of research, Smith Richardson Foundation, Inc., 1976-1983.

Mr. Lenkowsky graduated from Franklin

and Marshall College (A.B., 1968) and Harvard University (Ph.D., 1982). He served in the U.S. Army Reserve, 1971–1979. Mr.

Lenkowsky was born March 30, 1946, in New York City. He is married, has two children, and resides in Washington, DC.

Nomination of John W. Crutcher To Be a Commissioner of the Postal Rate Commission

April 9, 1987

The President today announced his intention to nominate John W. Crutcher to be a Commissioner of the Postal Rate Commission for the term expiring October 16, 1992. This is a reappointment.

Mr. Crutcher has been a Commissioner of the Postal Rate Commission since 1982. Previously, he was a member of the Department of the Interior transition team, 1981; Reagan Campaign Committee, 1980; Dole

for President Committee, 1979–1980; and the National Transportation Policy Study Commission, 1975–1977.

Mr. Crutcher graduated from the University of Kansas (B.S., 1940). He served in the United States Navy, 1942–1952, and the United States Naval Reserve for 30 years. Mr. Crutcher was born December 19, 1916, in Ensign, KS. He is married, has two children, and resides in Washington, DC.

Proclamation 5628—Education Day, U.S.A., 1987

April 9, 1987

*By the President of the United States
of America*

A Proclamation

Parents and educators recognize a sacred trust to help children learn about the world in which we live, about all that has gone before, and about all that can be. This trust includes teaching our children about the whole of civilization and humanity's quest for truth, so that they will learn the great lesson that wisdom, love, decency, moral courage, and compassion, as well as technical knowledge and sharpened skills, must be part of everyone's education and everyone's lifework.

American history teaches this lesson well, and American culture, both its weaknesses and its strengths, testifies to its importance. But this lesson needs continual reinforcement. Because education is vital to our children and to the future of all Americans, we do well to call attention to the unflagging efforts of the many people who stress excel-

lence and completeness in education. One of them is the leader of the worldwide Lubavitch movement of Hasidic Judaism, Rabbi Menachem Mendel Schneerson, whose 85th birthday falls on April 10. The Lubavitch movement has fostered teaching of the ethical values that make civilization possible and that enrich life for everyone. We can be most grateful for all who seek to endow our children with the precious heritage that others have built and preserved for us.

In recognition of Rabbi Schneerson's achievements and in celebration of his 85th birthday, the Congress, by House Joint Resolution 200, has designated April 10, 1987, as "Education Day, U.S.A." and authorized and requested the President to issue a proclamation in observance of this event.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim Friday, April 10, 1987, as Education Day, U.S.A., and call upon the people of the United States, and in particu-

lar our teachers and other educational leaders, to observe that day with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this 9th day of April, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the

United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 4:30 p.m., April 9, 1987]

Nomination of B. Wayne Vance To Be General Counsel of the Department of Transportation

April 9, 1987

The President announced today his intention to nominate B. Wayne Vance to be General Counsel of the Department of Transportation. He would succeed Jim J. Marquez.

Mr. Vance is currently Chief of Staff to the Secretary at the Department of Transportation. Previously he was Deputy Assistant Attorney General of the Civil Division at the Department of Justice, 1982–1985.

Before joining the Government, he worked for the firm of Alston, Miller & Gaines, 1977–1982.

Mr. Vance graduated from the University of Mississippi (B.B.A., 1969) and the University of Mississippi School of Law (J.D., 1975). He served in the United States Navy, 1969–1972. Mr. Vance was born May 31, 1947, in Meridian, MS. He is married and resides in Alexandria, VA.

Appointment of Two United States Deputy Commissioners to the Commission for the Study of Alternatives to the Panama Canal

April 9, 1987

The President announced his intention to appoint the following to be Deputy Commissioners of the United States of America on the Commission for the Study of Alternatives to the Panama Canal. These are new positions.

Prieur J. Leary, Jr., of Louisiana. Mr. Leary is currently president of Dean Dredging Corp. in New Orleans and owner of Leary Capital International. Previously he was president and director of NICOR Marine, Inc., 1980–1984. Mr. Leary attended Tulane School of Business Administration, 1961–1964. He graduated from Tulane School of Law (LL.B., 1967) and New

York University of Law (LL.M., 1968). Mr. Leary was born October 4, 1943, in New Orleans, LA. He is married and has three children. Mr. Leary resides in New Orleans, LA.

John C. Young, of Maryland. Mr. Young is currently president, Computer Systems Group, ERCI International, Inc. Previously he was president, International Energy Associates, Ltd., 1976–1985. Mr. Young graduated from the United States Naval Academy (B.S., 1952). He served in the United States Navy, 1952–1961. Mr. Young was born June 23, 1929, in Hampton, IA. He is married and has four children. Mr. Young resides in Potomac, MD.

Remarks on Arrival in West Lafayette, Indiana

April 9, 1987

Well, a good afternoon, and I thank you all very much. I can't tell you how honored I am that so many of you have come out here to say hello, and let me say you have already made me feel so much at home. Now, as Henry VIII said to each of his six wives, I won't keep you long. *[Laughter]* No, I'll tell you, they've got a full day for me out there at the university, at Purdue, and I don't want to fall behind schedule. You see, after I leave the university, I'm heading home for California, and Nancy told me not to be late for dinner.

Well, anyway, I would like to say just a few words to you. On the way in today, being a midwesterner myself, I saw those typical midwestern farms and then your neighborhoods and your churches and schools and your city-county building with its dome. And I have to tell you, back there in those puzzle palaces on the Potomac, you can sometimes lose touch with the basic values that we're working so hard to try and defend. But coming here to Greater Lafayette has been—well, it's kind of reminded me of a town over in Illinois. It's a town where I grew up—Dixon, Illinois—and where there's a little bit of my heart still there. I can see with the young people and the children that are here that this is kind of a family day, too. And you know, it was the hopes for our children that brought our forefathers to this land, and it's continued to be the thing that we strive for—is to make this a better place and a place of freedom and hope for these next and on-

coming generations. So, today our families give us strength still.

I have to share a little story with you. Just the other day, a man sent me a letter, and he had a little episode in it he thought I would be interested in. It seems that on a Sunday morning he preferred to read the paper. And his son, little Bill, came at him with a glove and a ball and wanted him to come out in the yard and play ball. And he wanted to read the paper. And he noticed that on the front of the paper was a map of the world in connection with some story. And he hastily cut the map of the world out, cut it into pieces, and then said to Billy, "Here, you take this and put the map of the world together, and when you get back, why, then we'll go out and play ball." He figured he'd have plenty of time to read the paper. Billy was back in 7 minutes. And he said, "How did you do that so fast?" Well, he said, "On the other side of the map there was a picture of family, and I found that if you put the family together, then the world took care of itself." *[Laughter]*

Well, I know that I have to move on and get out there to the university—the things that are prepared there, but again, I just thank you from the bottom of my heart. If nothing else good happens on this trip, I'll go home about 3 inches taller because of this welcome out here today. Thank you very much. God bless you.

Note: The President spoke at 2:21 p.m. at Purdue University Airport.

Informal Exchange With Reporters at Purdue University in West Lafayette, Indiana

April 9, 1987

Q. Mr. President, speaking of technology, the Soviets say that we're bugging them as much as they're bugging us.

The President. Well, if you want to believe them, go ahead.

Q. Are they telling the truth? Has the U.S. tried to bug the Soviet Embassy?

The President. I never discuss anything having to do with espionage or counterespionage.

Q. Well, what do you think of all their claims that they've made today and their so-called evidence that they've presented?

The President. I've been coming out here; I haven't paid any attention to it.

Q. Mr. President, are all these charges going to undermine Mr. Shultz' trip?

The President. No.

Note: The exchange began at 3 p.m. in Knoy Hall of Technology while the President was visiting a computer technology laboratory.

Remarks to Students and Faculty at Purdue University in West Lafayette, Indiana

April 9, 1987

Governor Orr, Congressman Burton, Lieutenant Governor Mutz, president Beer-ing, and ladies and gentlemen, and especially you, the students of this fine university, it's an honor for me to be able to join you here today at Purdue. And by the way, I understand that the last time there were this many people in Mackey Arena, Purdue beat IU. And as for football, the old oaken bucket has a hay that looks new enough to have been added this past fall. Am I right about that? [*Applause*]

But Purdue is a university justly famous throughout the world. I was especially struck to hear the statistics regarding your engineering and technological training. I am told that Purdue has educated more engineers than any other university in the country, and today 1 out of 17 engineers in America is a Purdue alumnus. Then there's the fact that some 16 Purdue engineering graduates have been selected as NASA astronauts, including Neil Armstrong and Eugene Cernan, two men who walked on the Moon. You know, come to think of it, if Purdue can prepare people to go to the Moon, would it be all right if I sent a few of the big spenders in Washington out here? [*Applause*]

But today I've seen a great deal of Purdue, joining students in your 2-year and 4-year degree programs as they worked in a high-technology laboratory. And I can tell you, for someone who grew up in the era of slide rules, seeing all those computers and robots was one of the most amazing sights of my life. But all this high-technology equipment was being used to train students

for jobs of the future. And it's just this, the need to prepare America for the challenges of the 21st century, that I have in mind in speaking to you this afternoon.

Now, it's only fitting during this National Science and Technology Week that we should begin by considering the dramatic changes that technology is already producing in the American economy. Just think, for example, that in the little town of Essex Junction, Vermont, engineers in a leading computer firm are pioneering the production of an exceptionally fast, four-megabit computer chip—a dramatic technological advance. Or consider that within recent months historic new breakthroughs have taken place in the conducting of electricity, breakthroughs that could rival the invention of the transistor. The discovery of new superconductors, materials that conduct electricity at much higher temperatures than previously believed possible, could lead to virtual revolutions in fields ranging from communications to microelectronics.

Yes, the American economy is changing dramatically, but one question remains constant, especially among students like yourselves: the question of jobs. So, I thought I'd talk first today about how best to prepare for the jobs of the future, then move on to a point perhaps even more important: how best to promote the economic growth that leads to job creation. In preparing Americans for the jobs of the future, perhaps the first matter that comes to mind is education. There can be no doubt that, as we prepare for the 21st century, American education itself must prepare. Last month

in Missouri I devoted an entire address to this issue; today let me simply restate my firm belief that to improve our nation's competitiveness in the world economy, we must strive for new standards of excellence at all levels of American education.

In primary and secondary education, your fine Governor, Bob Orr, is leading the way with his A-plus program, a program that would lengthen the school year by 10 days and increase teachers' compensation and accountability alike. And in higher education, here at Purdue you're setting an example for institutions of higher learning throughout the Nation. I've already mentioned the labs and classrooms I visited today; remarkable as they were, it's perhaps even more impressive that a large part of Purdue's technical education effort takes place off-campus at 13 sites around the State, including manufacturing plants. At an auto assembly plant in Kokomo, for example, some 170 workers are in a Purdue program to bring themselves up to date on automobile technology of decades to come. There are Purdue plant training programs at other large automotive firms as well, and soon Purdue courses will be offered to two Japanese companies that will be building a plant here in Lafayette. You at Purdue have reason to be proud, and I salute you, and I will.

You know, in job training, government, too, can play its part. It was with the jobs of the future in mind that our administration enacted the Jobs Training Partnership Act, or, as we use the initials in Washington, JTPA; the principal congressional author of which was your outstanding Senator, Dan Quayle. That program replaced an outmoded and expensive program with one that combines the efforts of Federal and local governments with those of business to make sure that workers receive practical, useful training and that public money goes to the training itself and not to overhead, to a bloated Federal bureaucracy. Today our administration has before Congress a proposal for a new billion-dollar worker adjustment program that would serve an additional 700,000 dislocated workers each year. And again, this program would spend public money well, providing workers with training early, before they exhausted their

unemployment benefits.

Permit me to turn now to the deeper question, the underlying question: How can we best foster the economic growth that leads to the creation of jobs in the first place? Perhaps it would be best to begin by considering high technology and certain fears that high technology sometimes seems to instill. The computers I saw in your classrooms, the robots, and other high-tech devices—some fear that these innovations will destroy more jobs than they create, that technology is in some way the enemy of job formation; and yet we need only look at our nation's actual experience to see that this is not so. When I was your age, high technology meant that Lindbergh made it across the Atlantic in one piece—[laughter]—and some 44 million Americans were employed. Yet between 1930 and 1980, a time when our nation made steady and remarkable technological progress, the American economy employed on average some 11 million more workers every decade. And to take still more recent evidence, during the economic expansion of the past 52 months, a time of technological breakthrough after breakthrough, our nation actually created over 13 million more jobs.

Could I just say something—I don't recall the figures as of now—but just interject something here? Back when the modern telephone with dialing and so forth came into being, and you didn't—and most of you never perhaps knew that there was a time when you picked up the phone and an operator said, "Number, please," and you told her what the number was that you wanted and so forth. And when the new dialing and everything came in, there was a great fear that jobs were going to disappear. Well, at the rate of the use of telephones today, if we were still with the old system, there aren't enough women in the United States to man those operator jobs as they did at that time.

Well, it's true that over the years adjustments have had to be made as older industries sometimes gave way to newer. But these adjustments were made, and today our nation employs some 113 million. No, technology is not the enemy of job creation but its parent, the very source of our eco-

nomie dynamism and creativity. And this being the case, we must ask ourselves what conditions and policies best foster economic creativity and technological advance and, yes, the creation of jobs. In answering this, permit me first a brief overview of two decades: first, the seventies, and then our own decade of the eighties.

You'll perhaps remember that during the seventies economic policy was dominated by the Keynesian notion that the behavior of individuals operating in the marketplace had to be influenced by the Government on occasion—in short, that government could manage the economy by raising or lowering the level of demand. In particular, it was thought that government could stimulate economic growth by inducing greater consumption and demand and enjoying Federal deficit spending. Well, all of this may sound technical, and of course there's no reason to expect that everyone here lives and breathes economic policy the way so many back in Washington do—maybe that's one of the problems with Washington—yet the central point is simple: Economic policy lost sight of the individual and focused instead on government. And this meant that government regulation of the economy increased. Government spending soared. In the late seventies the tax burden—that fundamental indicator of the relationship between the Government and the governed—the tax burden on both corporations and individuals went up.

If the Keynesian view had been correct—if government really could, in effect, fabricate prosperity—then, as the decade of the seventies wore on, we all would have noticed our standard of living going up. And instead, of course, just the opposite took place. The Nation that after World War II had the strongest economy in the world saw its economy falter. By 1980 inflation was raging, interest rates had reached the highest levels since the Civil War, and the standard of living was actually in decline. Government had had its chance. There's only one word for what it produced: failure. And then, beginning in 1981, our administration worked to restore the individual to his rightful place at the center of economic policy. Just as the old view meant the expansion of government, so our view meant

reducing government, or at least slowing its growth. We cut tax rates. We scaled back Federal regulations—30,000 pages of them. We slowed the growth of government spending. And last year we enacted a sweeping tax reform, reducing rates on corporations and cutting the top tax rate for individuals to the lowest level in half a century.

The results? Well, the results have been profound. Last year inflation—just 6 years ago the public's number one concern—inflation reached the lowest point in 20 years. Real income is up. In the last 4½ years, the stock market has nearly tripled. And as I mentioned earlier, during this expansion the American economy has created more than 13 million jobs, far more than the number created in the past decade by Europe and Japan combined. Now, of course, this economic expansion has plenty of economists puzzled. I can tell stories about economists, because my degree was in economics. You know economists; economists are the sort of people who see something work in practice and wonder if it would work in theory. *[Laughter]*

Forgive me, but there's another one I can't resist telling. It seems an economist, a chemist, and an engineer were stranded on a desert island. *[Laughter]* And between them they had only a single can of beans, but no can opener. The engineer suggested that he climb a palm tree to a precise height, then throw the beans at a precise distance, at a precise angle. "And when the can hits," he said, "it will split open." "No," said the chemist. "We'll leave the can in the sun until the heat causes the beans to expand so much the can will explode." "Nonsense," said the economist. "Using either method we'd lose too many beans. According to my plan, there will be no mess or fuss and not a single bean will be lost." Well, the engineer and the chemist said, "Well, we're certainly willing to consider it. What's your plan?" And the economist answered, "Well, first assume we have a can opener." *[Laughter]*

But getting back to the economy—*[laughter]*—in the view of one academic who does understand present-day realities, the noted management expert Peter

Drucker, today's economic expansion represents nothing less than "an incredible achievement." So, what the economic policy of the past 6 years has achieved can be stated in one single, sweet word: success. Today the distinction between what we have and what we know, between merely material resources and the ultimate resource, knowledge, is becoming increasingly important.

The economy is experiencing rapid growth in knowledge-based fields like computer sciences and biotechnology. Our administration has put before Congress a number of proposals to assist in this technological revolution, proposals that, again, take into account the paramount importance of the individual and the private sector. Part of our focus will be on Federal laboratories, including defense laboratories. These are among the largest and most productive centers of scientific research in the world, but in the past there have been roadblocks set up between what was going on inside and the commercial world outside. That will change. Among other innovations, we will encourage scientists working in Federal laboratories to patent, license, and commercialize their research. Isn't it time technological breakthroughs achieved inside government were made available to the private sector, where they can still do more good? *[Applause]*

Our administration is proposing to establish a number of science and technology centers around the Nation, and these will focus on those areas of science that directly contribute to America's economic competitiveness. And they'll help to ensure that when it comes to technological leadership, America in the next century will continue in its role as a world leader. And to give our children basic knowledge of science and technology, our administration is beginning a campaign for scientific literacy. It will include, among many items, internships in Federal labs for promising students and aid to schools on all levels to buy scientific equipment and computers. Isn't it time that we made sure that America's young minds are ready for the 21st century? *[Applause]* Technology and the 21st century—as we consider the prospect, we face yet another deep question: What do we want to accom-

plish with our new technological abilities? Certainly we want to go on creating jobs, and of course we want to continue the partnership between government and the private sector, like the partnership in our Jobs Training Partnership Act. But what else? What might we accomplish if we truly let our minds and hearts soar?

Our administration has attempted to provide one important answer. In the realm of defense, with our Strategic Defense Initiative, or SDI, we're—*[applause]*—well, I sensed a little disagreement there, but let me cover that. We're attempting to replace the situation of mutual assured destruction, called the MAD policy, with a defense that truly defends. Wouldn't it be worth every effort if we could use our technology to free the world from the dread threat of nuclear weapons? *[Applause]* Just so there is no doubt, that mutual assured destruction policy, that is one in which both sides have agreed that the deterrent to a war is the threat that if either one pushes the button someday the other one will push the button and both sides will get destroyed.

Well, there are other answers, other ways to use our technology to build a better life for ourselves and all mankind. But those answers will have to come from generations other than my own. As you work out your own destiny, those answers will have to come from you. And now in closing, well, I've been thinking back to my own college days ever since I got here, and I wonder whether you'd permit me a moment's journey down memory lane? If you can stretch your imaginations back this far, my own college days happen to fall during the Great Depression. I had to work my way through college. As a matter of fact, I had one of the best jobs I've ever had while I was doing that: washing dishes in the girls dormitory. But seriously, those were days when announcements telling people not to leave home looking for work, because there was none, were made on the radio. Well, when I got my diploma, unemployment was around 25 percent.

Yet here we are just half a century later, and we Americans are enjoying a standard of living undreamed of when I was your age. As for jobs—well, as I said a moment

ago, employment during these past 50 years has increased by some 65 million. The potential employment pool is defined—and perhaps you don't know this—is defined as everyone 16 years and up, male and female. That is the potential employment pool. And this year, the highest percentage of that potential pool in history has jobs. Across the Nation, Americans are living longer, healthier lives. I've already lived some two decades longer than my life expectancy when I was born. That's a source of annoyance to a number of people. [Laughter] And look at the technological marvels that we take for granted that didn't even exist back then: computers, space flights, high technology classrooms and laboratories like the ones I saw today.

But I guess what I'm trying to say is this: If our nation has made all these tremendous advances during my lifetime, from the flight of Charles Lindbergh to the flights of Neil Armstrong and Eugene Cernan, then the only limits for your own generation will be the limits of your own imaginations. So, have faith. Place your trust in the enduring values, in the beliefs that have sustained Americans through two centuries and raised our nation to greatness: God, the family, and freedom. And know that in your own minds and hearts, in your own capacity for wonder and imagination, therein lies the true economy. In this land of freedom, my

friends, you only have to dream great dreams, then do your best to make them come true.

I would just like to add something right here about this great land of ours. You may call it mystical if you please. But I have always believed there was some divine plan that put this continent here between the two great oceans to be found by people from every corner of the world who had an extra ounce of courage and a love of freedom such that they would uproot themselves from family, friends, and their own country and come here to start a new life. And all that has been achieved here, all that we've done, could be summed up in something that a man wrote the other day. He said: "You can go to Spain to live, but you can't become a Spaniard. You can go to Japan and live; you can't become a Japanese, a Greek, a Frenchman, whatever it is. But anyone from any corner of the world can come here and become an American."

Thank you, and God bless you all.

Note: The President spoke at 3:50 p.m. in Mackey Arena. In his opening remarks, he referred to Gov. Robert D. Orr; Representative Dan Burton; Lt. Gov. John M. Mutz; and Steven C. Beering, president of the university. He also referred to an oak bucket used as a football trophy in the rivalry between Indiana University and Purdue University.

Remarks and a Question-and-Answer Session With Reporters on the Budget and Soviet-United States Relations

April 9, 1987

Federal Budget

The President. I have a statement here about the budget. As you know, it's been on the floor of the Congress for the House. There's an old saying: "If it ain't broke, don't fix it." Well, in the case of the congressional budget and appropriations process, it hasn't ever been fixed enough to be broken. Today we've witnessed the efforts by the House Democrats to meet the Gramm-Rudman-Hollings targets, but it's

just business as usual: cuts in defense that potentially threaten our national security and passing the buck to the American taxpayers to pay for their excesses. It's time for Congress to admit that the process hasn't worked, and it's time for something that's enforceable, credible, and reliable. And I call on the Congress to recognize their process for what it is—out of control and ready to be fixed—and that we should work together to meet that goal. But at least one

thing: they voted today, we were defeated. They voted on that so-called budget that came out of the committee in the House. But I'm pleased to say that 173 Republican House Members, the total number, plus 19 Democrats, voted against that budget. They lost 230 to 192, but I was pleased with the turnout that we had there.

Q. Mr. President, you have said in the past on the subject of a budget summit that you would wait until you saw what the other side had to offer. You have some indication of that. Just how do you want to work together with the Democrats now?

The President. Well, I heard them in the debate yesterday on the floor, as it was covered by the news, saying that they had submitted a budget but we hadn't. Well, I understand under the procedures that are proper the President presents the budget, which I had done. But they were complaining because the Democratic Members—or the Republican Members of Congress had not submitted a budget of its own. Well, I would think that this indicates that maybe the Republican Members of the Congress thought that we'd presented a proper budget, and I think we have.

Q. Well, are you willing to meet with the Democrats now and hold a budget summit now and get down to business?

The President. I think now it goes on its way over to the Senate to see what's—yes, I was—always been ready to meet with them. They just would not accept ours as a budget.

Q. Can it be done without a tax increase, sir?

Q. Are you washing your hands of it, sir?

The President. Certainly, it can, yes. And we, I think, have been more right with our prediction of figures and so forth than they have. And we believe the budget we submitted was within the targets, would have met the Gramm-Rudman-Hollings goals, and would have done so without new taxes.

Q. Have you met with the leaders then, Mr. President?

Q. And aren't your defense numbers now going to have to be reduced? Isn't defense spending now going to have to be reduced in this process?

The President. Well, there's a lot of steps that still have to be taken before what they

did today becomes the budget.

Secretary of State Shultz's Visit to Moscow

Q. Is Shultz carrying any new—

Q. Is Secretary Shultz going to Moscow without any new proposals on INF?

The President. Well, no, he's going there with pretty much what we ourselves have been talking with them, and I don't see that there's very much distance between us on that.

Q. No proposals beyond what has been discussed in Geneva already, is that right?

The President. Well, there are some details also around the edge that have never been negotiated at all which have to do, for example: If you're going to eliminate the intermediate-range, what are you going to do about the short missiles which, again, in which they have a great superiority in Europe.

Q. Will Shultz carry any new message on SDI?

The President. Well, just our intent and our plans to deploy when and if we get the program perfected.

U.S. Embassy Security in Moscow

Q. How have you told him to raise the issue of spying, too, in Moscow?

The President. Well, let me just say, because you all have called out so many questions on that subject, let me just give you something I jotted down here. I'm not going to comment on the reports in today's newspapers. For reasons you'll all understand, I cannot and will not comment on United States intelligence activities. Nonetheless, I can say that what the Soviets did to our Embassy in Moscow is outrageous, and we have protested strongly. And we're conducting a full investigation and will take whatever corrective action is necessary, because our diplomatic establishments can and must be secure from Soviet spying.

Q. You're leaving the impression we did bug their Embassy. Is that the way you want the American people to see this?

The President. Well, I just said that we thought what they did was outrageous.

Q. What about what we did, Mr. President?

The President. I say I'm not going to dis-

cuss our intelligence or counterintelligence. It wouldn't be useful anymore.

Note: The President spoke at 4:40 p.m. at Purdue University Airport. Following his remarks, he traveled to Los Angeles, CA.

Proclamation 5629—Pan American Day and Pan American Week, 1987

April 9, 1987

*By the President of the United States
of America*

A Proclamation

The nations of the Americas enjoy a rich cultural and historical diversity, yet are bound together by a common dedication to the principles of democracy; to respect for the rights of the individual; and to the opportunity to enjoy creative, productive, and prosperous lives. Pan American Day each year has served to remind us of these mutual goals.

The Organization of American States is the forum in which our governments labor to make these ideals and aspirations a reality in our daily lives. For decades, the Inter-American System has been utilized across a broad range of common concerns: to maintain the peace throughout this Hemisphere; to encourage both political and economic freedom for every citizen; to promote development and provide opportunity for both men and women, of all races and all creeds; and to defend the human rights of all against repression and threats to their dignity.

The Organization has a truly remarkable record as a defender, and a beacon, for all peoples whose rights have been trampled upon and denied, especially for the peoples of this Hemisphere. It has now taken up the challenge against yet another menace—drug abuse and trafficking—that threatens the future of our children, the well-being of our peoples, and even the stability of our governments. The newly created Drug Abuse Control Commission offers a common meeting place where all of us can join forces to defeat this latest enemy to freedom and democracy.

On September 2 of this year, the nations

of the Americas will celebrate the fortieth anniversary of the signing of the Inter-American Treaty of Reciprocal Assistance, in which they pledged to preserve their security. This Rio Treaty, born of the totalitarian threat to the region before and during World War II, has been strengthened ever since by resolute defense, against repeated attacks, of our common determination that this Hemisphere shall be a land of liberty.

This is a time when the vision of democracy and freedom in all our countries, to which we are committed in the Charter of our Organization, shines forth as never before. So Pan American Day of 1987 is an especially welcome occasion for the people of the United States of America to extend a warm and fraternal hand to our neighbors in the Americas. We renew our commitment to the spirit of hemispheric solidarity, to the purposes of the Inter-American System, and to the Organization of American States as the embodiment of our high aspirations for this Hemisphere.

Now, Therefore, I, Ronald Reagan, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim Tuesday, April 14, 1987, as Pan American Day, and the week of April 12 through April 18, 1987, as Pan American Week. I urge the Governors of the fifty States, and the Governor of the Commonwealth of Puerto Rico, and officials of other areas under the flag of the United States of America to honor these observances with appropriate activities and ceremonies.

In Witness Whereof, I have hereunto set my hand this ninth day of April, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the

United States of America the two hundred and eleventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 11:17 a.m., April 13, 1987*]

Note: The proclamation was released by the Office of the Press Secretary on April 10.

Remarks and a Question-and-Answer Session at a Los Angeles World Affairs Council Luncheon in California *April 10, 1987*

The President. Thank you, Bill, and thank all of you. It's wonderful to be back here in home territory. Yesterday, on the way here, I stopped at Purdue University and addressed the student body there. One part of the occasion was the fact that it was the hundredth anniversary of the Purdue band, and I had to explain to the young people there, I had not heard the first band when it played. [*Laughter*] But I'm delighted to be here today to talk with you about the current state of Soviet-American relations. And before I do that, I want to say something about the recent disclosures of Soviet espionage against the United States Embassy in Moscow. There's no excuse for what they did or for the way security was handled in Moscow.

And now, in response to those who think these recent events throw some new light on Soviet-American relations, I say, "Where have you been?" Anyone familiar with the nature of the Soviet regime, its ideology and intentions, understands that such actions come as no surprise. From the very first days of this administration, I have insisted that our relations with the Soviets be based on realism rather than illusion. Indeed, the basis for our foreign policy has been, from the very beginning, an insistence upon enunciating the truth about U.S.-Soviet relations and upon making it clearly understood what we think the Soviets stand for and what we stand for. Now, this may sound obvious, but when we took office in 1981, it was in bad need of restatement. Today let me state these views and review relations between our two countries.

We have adopted a framework for dealing with the Soviets. We have insisted that progress must proceed in four critical areas:

first, the pursuit of verifiable and stabilizing arms reduction, with an emphasis on verifiable; second, negotiated solutions to regional conflicts; third, the advance of human rights; and fourth, expanded contacts between our peoples. This agenda represents a consistent, long-term policy reflecting our moral values, our strategic interests, and our commitments to our friends and allies. It's not based on false hopes or wishful thinking about the Soviets; it's based on a candid assessment of Soviet actions and long-term understanding of their intentions.

I can report that in some areas of this four-part agenda, we have seen movement and progress. Take arms reduction. At our two meetings—our fireside summit in Geneva and our Hofdi House discussions in Reykjavik—Mr. Gorbachev and I took some significant steps forward. We cleared away obstacles and came closer to historic agreements on reducing strategic nuclear weapons and intermediate-range nuclear missiles. In the months that followed Reykjavik, progress was slower than I had hoped, but in recent weeks the Soviets have shown new seriousness. A breakthrough in the talks on intermediate-range missiles is now a distinct possibility.

Then there is human rights. Here, too, we see some positive developments. Andrei Sakharov has been released from internal exile and allowed to speak his mind. Some political prisoners have been released. Emigration figures for March and April so far are up. There is talk of changes in Soviet laws. There is talk of a less centralized approach to the Soviet economy, giving more scope to individual initiative. We'll see if these talks amount to anything. In the area

of bilateral exchanges, we have reached agreement on expanded Soviet-American contacts. Cultural, scientific, and civilian exchange programs have shown a dramatic increase since Geneva.

But to cite all this is not to be unrealistic or to lose the wider context. Serious issues remain. For example, in arms negotiations, verification remains a critical problem because of the poor record of their compliance with previous agreements. Nor have the Soviets abandoned their basic strategy of trying to use these negotiations to divide our allies and friends in Europe and Asia from the United States. Our allies' concerns are central. We cannot permit the benefit of the reduction in longer range INF [intermediate-range nuclear forces] missiles, for example, to be undermined or circumvented by a continuing imbalance in shorter range INF missiles, in which the Soviets have a huge advantage. Let me say again: The United States will continue to consult closely with its allies, and we will not sacrifice their vital interests just to sign an agreement.

Unfortunately, too, the Soviets are still trying to stifle the Strategic Defense Initiative. I've made some very forthcoming proposals about not deploying strategic defenses for a period of time, while we and the Soviets negotiate on a cooperative transition to a new kind of strategic balance, one that deters by protecting human lives instead of threatening them. Mr. Gorbachev himself recently criticized the balance of terror as a strategy for keeping the peace and urged that nuclear doctrines become truly defensive. Well, I agree with him. Peace based on strategic defenses that can absorb and blunt an attack, coupled with radical reductions in offensive missiles—that is the safest course of all.

As I said after our Geneva summit, meetings between our leaders are not a favor that one side does for the other. But they can be helpful. And in this connection, my invitation to Mr. Gorbachev to come to America still stands. The welcome mat is still out.

In the human rights area, too, our concerns are profound. While we welcome the resolution of some celebrated individual cases, we look for signs that the Soviet

Union intends to abide by its commitment to all its citizens, under its own laws and the Helsinki accords. A system that keeps Europe artificially divided, that suppresses religion and religious contacts, that still jams radio broadcasts, and that arrests American journalists on trumped-up charges is a problem for other nations. No nation will be at peace with its neighbors if it is not at peace with its own people. So, human rights is not just an internal issue; it's truly an issue of peace. Andrei Sakharov said it well: "I am convinced," he said, "that international confidence, mutual understanding, disarmament, and international security are inconceivable without an open society with freedom of information, freedom of conscience, the right to publish, and the right to travel and choose the country in which one wishes to live."

Unfortunately, the news on the one missing item on our agenda is not good. I refer to the problem of military conflicts in regions of the developing world, where the facts of Soviet action are brutal, a danger to peace and our future relations. Despite a claimed desire for peaceful settlement of these conflicts, despite announcements of cease-fires and talk of "national reconciliation," Soviet troops continue to wage a terrible war against the people of Afghanistan. The military threat to our friend Pakistan escalates in a way that carries the risk of larger confrontation. In Ethiopia, Angola, and Cambodia, the Soviet Union continues to support brutal wars of Leninist regimes against their own peoples. In Nicaragua we see such a campaign on our own shores, threatening destabilization throughout Central America and denying the Nicaraguan people their right to determine their own future.

The world will no longer accept this policy of global expansionism. In the last few years we've seen a new trend—the spread of democracy from Latin America to the Philippines along with a worldwide revolution in economic thinking—a trend toward political and economic freedom as a means of nurturing economic growth and human progress in the developing world. The United States remains pledged to sustaining this movement toward greater per-

sonal liberty and national self-determination and to resisting attempts to reverse it.

Recently there've been signs that the Soviet Union may be seeking a diplomatic way out of its war in Afghanistan. The Soviet Union should know the United States seeks no strategic advantage in Afghanistan, but it should also know that no political settlement will work unless it removes Soviet troops promptly and completely and allows the Afghan people genuine self-determination. The role of the resistance alliance is growing, and we shall continue to support it. We'll support any just settlement that leads to a truly independent and neutral Afghanistan and that meets the needs of the free Afghan people. Similarly, Soviet-bloc military and economic assistance to the Sandinista regime in Nicaragua reached an unprecedented billion dollars last year; the quantities and sophistication of weapons deliveries have reached dangerous levels. We have the right—indeed, the obligation—to support our friends in this hemisphere against this blatant intervention. Soviet conduct here will be a litmus test of our relationship.

In Angola, too, we see an escalating Soviet and Cuban military commitment in the vain quest for a military victory. We call for a political solution and for the speedy removal of Fidel Castro's 35,000 Cuban mercenaries from Angola. Cambodia is another tragic example of aggression and occupation, imposed by Vietnam and backed by the U.S.S.R. The Cambodian people have suffered enough; it's time for genuine self-determination and peace in Cambodia.

Now, what is our agenda today? Well, let me be very specific: First, the bleeding wound of Afghanistan must be healed. I challenge the U.S.S.R. to set a date this calendar year when it will begin the withdrawal of Soviet troops on a speedy schedule. Second, I challenge the Soviets to join us in moving ahead on an intermediate-range nuclear missile that enhances overall security and military stability. The issues of verification and shorter range INF systems must be resolved in a way that protects allied security interests. And third, I challenge them to join us in a mutual 50-percent cut in our strategic nuclear arsenals in a way that strengthens stability. Our SDI

program should not stand in the way of such a cut, any more than the longstanding Soviet strategic defense programs stand in the way. Fourth, I challenge the Soviets to join us in seeking a safer strategic balance by relying less on mutual offensive threats and more on defensive systems that threaten no one. And finally, it's time to resolve the issue of emigration—decisively. It's time for substantially liberalized emigration policies and broader freedoms for those Jews, Christians, and people of other faiths who choose to stay in the Soviet Union. And if this happens, we'll respond.

If I had to characterize U.S.-Soviet relations in one word it would be this: proceeding. No great cause for excitement; no great cause for alarm. And perhaps this is the way relations with one's adversaries should be characterized. We have hopes and we have determination and we are proceeding. To keep that process moving, I have instructed Secretary of State George Shultz to go to Moscow to discuss a full range of issues between our two countries. You know, when I look over the past 6 years of Soviet-American relations, I'm reminded of something Harry Truman said when someone said to him, "Give them hell, Harry," and he said, "I have never deliberately given anybody hell. I just tell them the truth, and they think it's hell." [*Laughter*]

When the United States rebuilt its alliances and military strength and stood firm with the Soviets, some found this provocative. When the United States made substantive arms proposals, others said our refusal to instantly forsake them showed intransigence. And when the United States spoke for freedom and the conscience of mankind in the face of totalitarian aggression or human rights abuses, some criticized such affirmations as jeopardizing delicate negotiations. When we made clear our position on SDI and held to it at Reykjavik, there were those who feared the end of arms reduction efforts.

Well, what I think we've been taught by the last 6 years—what I think we need to remember now—is that establishing an environment where tensions are lessened demands realism and a willingness to stand by our values and commitments in the face of

threats, walkouts, and woeful predictions. We need to remember, too, that voices of panic or accommodation disrupt the careful pursuit of peace when, in their rush to sign an agreement or initial a treaty, they lose sight of justice and world freedom as the goals of American foreign policy.

So, I believe our negotiating progress can be traced to being forthright in our public pronouncements. When I first took office and throughout these 6 years, I have been candid about Soviet ideology and intentions. I did not seek to be unnecessarily antagonistic, only to acknowledge one of history's gravest lessons: that the first object of aggressive powers is to inhibit the will of potential adversaries, to make free nations think that public utterances of the truth or moral protests about aggression are themselves acts of belligerence. And history teaches that when, in the name of peace, free nations acquiesce to such subtle intimidations, the collapse of their own self-respect and freedom follows closely behind. History so often shows that conflict results from miscalculation by aggressive powers who misjudge the will of democratic nations to resist.

Candor and realism about the Soviets have helped the peace process, because it is not only an essential affirmation of our own moral stamina, it's a signal to our Soviet counterparts that any compulsion to exploit Western illusions must be resisted because such illusions no longer exist. Now, ladies and gentlemen, I've often spoken of freedom as the fresh and rising tide of the future. To speak so is not to threaten any people or nation; it is only to renew mankind's most sacred hope and oldest dream: a world where material wants are satisfied, where human freedom is enshrined, and peace and fellowship among nations prevail. Those goals should be celebrated and those truths should be pursued with no apologies to anyone.

I have to close with something I told the young people at Purdue yesterday. It came to me in a letter, and it was a man making the statement that you could go to Japan and live there; you could not become Japanese. You could go to Turkey and live there and not become a Turk; or to Greece and not become a Greek; or France and not

become a Frenchman. But anyone from any corner of the world can come to America and become an American. And it's time perhaps we all understood it.

That's the end of the monolog. I understand now it's a dialog and we'll have time for some questions.

Mr. Haddad. Yes, sir. Thank you, thank you very much for your address today, and thanks for agreeing to our question-and-answer period. Ladies and gentlemen, we've asked also the news media to participate. They have done so by giving us some written questions. But I think most of them will come from the members of the Council. Let's take a first one from the news media because it reflects directly on what you've just told us, sir.

Arms Control Negotiations

Q. Secretary General Gorbachev today said that the Soviets are willing to negotiate an agreement on the shorter range nuclear weapons at the same time as the INF talks are underway. Does this remove any obstacle in those talks?

The President. Well, I think it states something that we ourselves believe, and that is when he says "at the same time." We have never believed in the linkage of those two weapon systems together, but we have believed that the negotiations should be simultaneous, because they have a preponderant—I'm pleased to hear him say that—they have a preponderant advantage in the short-range weapons, much greater than we would have to offer as a deterrent on the other side.

Mr. Haddad. Thank you. A question from the audience.

Trade Deficit

[The question could not be heard from the podium. Mr. Haddad repeated it as follows:]

In the last 6 years, we have gone from a major creditor nation to a major debtor nation. What can we do about that?

The President. Well, we have been doing some things about that. We have been working—first of all, it took me 3 years in the economic summit to persuade our trading allies there, those other six nations, to

agree to a total review of the GATT system—that is the general tariff treaty that governs our trade between our countries. And that is going to take place, a meeting on that, very shortly.

We have also—for the first time, our administration has invoked the 301. Now, the 301 is a thing available to business and industry, that if a company or an industry here believes it is being unfairly treated in competition—the other side dumping their product here at less than the cost of production or subsidizing them unfairly and so forth or putting obstacles in the way of our trade, our product being received in their country—heretofore, and before the last 6 years, the businesses themselves had to raise that issue and charge a violation of 301. Well, we haven't been waiting for them. From where our vantage point is in government, where we've seen what we think are violations of 301, we have been bringing the charge against the other country and the other industries.

We don't believe that protectionism is the answer to our problem. Incidentally, the increase in our deficit of trade—our imbalance of trade and more imports than exports—has been brought about by the value of our dollar, which now has been redressed quite considerably. But it made our product too expensive and made their products too advantageous price-wise for our consumers to ignore, because our money was worth so much more. But, as I say, that has been partly redressed, but we still have a long way to go. We are still continuing.

But I have lived long enough to know that protectionism of the kind that I have already vetoed once—and will veto again if the same kind of legislation comes up—is not the answer. We tried that back in 1930 with a thing called the Smoot-Hawley tariff, and we thus spread worldwide the Great Depression that had involved our nation at that time.

So, we won't go for that kind. We want free trade, but fair trade. And we're going to keep on moving till we get it.

Mr. Haddad. Thank you, sir. Yes.

Nuclear Weapons

[The question could not be heard from the

podium. Mr. Haddad repeated it as follows:]

Thank you. The gentleman describes himself as a high school student, and he's afraid of a lot of things he's hearing about today—afraid of bombs and afraid of the possibility of war and so forth and afraid of not being told the truth. What would you say to a young high school student?

The President. Tell you the truth. We have a system of deterrence right now that is called mutual destruction. And what it is—the nickname for it is the MAD policy, mutual assured destruction—that we and the Soviet Union try to keep within range of each other, and this includes our NATO allies, who look to us for that nuclear umbrella—it's part of the NATO alliance—and the idea that we both have such horrible weapons of such power that if either one pushes the button, then there is a retaliation, and the retaliation would be so severe and so great that the other side would have no gain out of their assault.

Well, to me, I think that's, first of all, immoral. And I think that we're violating what was a moral principle even in war previously. We used to meet in Geneva—the countries of the world—and have rules of warfare in which we protected the non-combatants from being victims of warfare—that you did not injure or did not attack and endanger noncombatants, the innocent. Now we are assuring our safety with weapons that were designed to wipe out everyone, including the noncombatants. I think it's immoral, and that's why we're promoting SDI. I came up with that idea, and I submitted it to the Joint Chiefs of Staff one afternoon at my office and said: Is it possible that we could research and find a weapon that could destroy those missiles before they reached their target, as they came out of the silos? They said they thought such a thing could be done, and we embarked on that program. We've made great breakthroughs; it shows great promise.

And I have also said, and said to Mr. Gorbachev, that if and when we have established that we have such a defensive weapon, in return for the elimination, ultimately, of all nuclear weapons, we'll share

it with them. We'll share it with anyone, so that we all have a defense in case some day there comes a madman like a Hitler. And we all know how to make those weapons, so we can't be sure that some day someone won't try. But if we all have a foolproof defense—but I think it calls for doing what we're doing right now—negotiating, even piecemeal, in trying to get a reduction and start on the path leading to ultimate elimination of nuclear weapons.

Mr. Haddad. Thank you, sir.

Middle East

Q. Mr. President, King Hussein has been getting a favorable response in Western Europe to his proposal for an international peace conference on the Middle East. Such a conference would include the Soviet Union and the Palestinians. Does the U.S. now support such a conference, and will the King be coming to Washington?

The President. We have been working, ourselves—this idea—we can't ignore the fact that so far Israel, and with some justice, opposes the idea of the participation of the two countries you named, because both of them still deny the right of Israel to exist as a nation. They say it has no right to even exist. Until they are willing to abide by, well, U.N. rules 242 and 338, as Egypt did, and agree that Israel has a right to exist as a nation, then I think that we would join also. We are not opposed to the idea of an international meeting to try and bring together those warring nations—the Arab bloc and Israel—and remove that threat once and for all from the Middle East.

Mr. Haddad. Thank you, sir. Question from the audience.

Budget Deficit

[The question could not be heard from the podium. Mr. Haddad repeated it as follows:]

What steps are being taken by the administration to reduce the national debt? What steps specifically are being taken?

The President. God bless you. *[Laughter]* I'm glad to have that question. *[Laughter]* To reduce the national debt, of course, requires balancing the budget and stopping the deficit spending that is going on. We

have been trying to do that with the budgets that we've submitted over these last few years. When I hear some of our opponents complaining that I am responsible for the present deficits, I get a little annoyed, because if we had been given the budget that I asked for in 1982, the cumulative deficits through 1986 would be \$207 billion less than they turned out to be.

What we have to have is a recognition, first of all, of what a great many States have and what California has in its constitution, and that is a clause in the United States Constitution that says there must be a balanced budget; there can be no deficit spending. So far, that came close. We lost by one vote in the Senate in the last go-around. The House defeated it by a bigger margin, but in the Senate—to have a constitutional amendment that would bring this about.

The second thing is—and oh, how I want this, I had it for 8 years here in California as Governor—forty-three Governors today have the right of line-item veto. And I want to give you a little proof of how it works. I line-item vetoed 943 times in the 8 years I was in Sacramento. I was never overridden once, because in our budgeting process it takes two-thirds of the legislature to approve the budget to begin with and only takes two-thirds to override a veto. Isn't it strange that the same people, by a two-thirds margin, would vote for certain items in the budget where they were just buried in there with everything else, but when you took it out by itself and exposed it and they had to vote for it all on its own, they wouldn't do it. So, this we need. It's one of the greatest things we must have.

And there is another thing. There is one thing with regard to the national debt—but, once again, it isn't effective until we can balance that budget. And that is that there is a fund in the Treasury where citizens can contribute to that fund, and the fund is for the purpose of reducing the national debt. So, anyone that feels they want to be charitable—*[laughter]*—

Mr. Haddad. Thank you. The gentleman right here. Yes.

Espionage

[The question could not be heard from the podium. Mr. Haddad repeated it as follows:]

Thank you. The gentleman asked a question on the recent espionage—the Pollard case and the most recent news involving the Marines. What does he attribute this breakdown in patriotism, apparently, among some of our citizens?

The President. Now, what do you say? Could occasion that kind of breakdown?

Mr. Haddad. Yes, sir. What would be the background of that?

The President. Oh. Well, I thought I was going to get a question on that subject some place, and so I just made a little note for myself that if it did come along, what I wanted to answer: that yesterday I characterized the Soviet invasion of our premises as outrageous—and that stands—and I can't seriously believe that the Soviets are charging us with immorality in light of what has happened. For obvious reasons I cannot and will not comment on alleged U.S. intelligence activities, although I do note that the timing of the Soviet so-called revelations is curious, coming right after our protest on their activities in Moscow. U.S. intelligence activities are subjected to rigorous oversight. We have laws and Executive orders that regulate them. They're also subject to close scrutiny by the Congress through Select Committees on Intelligence and through the appropriations process. Now, you can't go further in discussing intelligence or counterintelligence than that.

But, again, you were pointing directly to the young men there. I tell you, this has been a severe blow to many of us. We have in our military today the highest percentage of high school graduates ever in our history, and it's a volunteer army. There are three intelligence brackets in the military by which jobs and so forth and assignments are determined. We have the highest number in the top percentage of intelligence that we have ever had. And yet suddenly we can see this violation of orders against fraternization and then what was outright selling—and so forth—out our country. And it's hard to explain. I can't believe it's wide-

spread, and yet I'm going to share with you a concern that I have. I've been very concerned, and we've been trying to do something about, value-free education. And I can't help but wonder, are we now seeing the fruit of education that predominantly throughout our country has stopped performing any teaching on the basis of moral principles or what is right or what is wrong.

I just told a little story here to my companions at lunch of an incident of a counselor just recently who gave his students that he was counseling a problem. He said, "You find a billfold with an address in it and a thousand dollars. Now, what do you do with it? Do you give it back? Do you keep it? What do you do?" The consensus from the students was, it would be dumb to give it back. And when the counselor was asked, well, what did he then say to them, he said, "Oh, I wouldn't impose my opinion on them. It's not for me to tell them or make a differentiation of that kind. I wouldn't be a counselor if I did." Well, I think it's high time we got back to saying there are things that are wrong, there is a right and wrong, and we expect our kids to—[applause].

Japan-United States Trade

Mr. Haddad. We have time for just two more questions. One from the press here: Could you comment, sir, on the issue of tariffs on microchips from Japan, and what is being done to preserve the excellent relations between the United States and Japan during this time of severe trade friction?

The President. Well, we are trying to preserve those relations. And very shortly I will have a visitor, Yasu Nakasone, their Prime Minister, who I must tell you has been—in fact, he has endangered his own political standing in his country because of his willingness to meet with us and try to eliminate some of the barriers to trade that they have erected.

This thing was a violation of an agreement signed 7 months ago in which we found there was a market denied to our microchips in their country at the same time that they were dumping, not only here but in other countries, their microchips in an effort to get the market at a subsidized price that was less than the cost

of production. We therefore have—and, yes, in the nature of protectionism in that particular area—have issued an ultimatum of certain things—tariff steps and so forth that we're going to take on just certain specific items having to do with that kind of technology unless they change this order of theirs, and then we will remove the embargo that we're going to put on. We feel that we have to do that.

And I'm looking forward to the meeting with Prime Minister Nakasone. As I say, he has been most helpful. But their whole tradition has been one of the barring of things in their markets; for example, allowing an American product to be sold, only it couldn't be advertised in their language. So, the Japanese would see the ad, but they couldn't read—[*laughter*—what the print said. And we've gotten corrections of a great many of those things, and they have become a very fine partner of ours in international relations, and an ally at the economic summits. And so, I have to be optimistic about what we can accomplish there. They are our second largest trading partner; Canada is the first.

Mr. Haddad. Thank you, sir. One last question. Yes, sir.

Space Program

[*The question could not be heard from the podium. Mr. Haddad repeated it as follows:*]

Thank you. Is the United States investigating alleged Soviet sabotage of our recent space disasters, and has this slowed down our space program?

The President. Well, as I said, it's very difficult to speak openly and publicly about things we do. But let me just say, we aren't ignoring anything in our investigation of the space problem, and we're determined to go ahead with it and continue with our program in the next decade or two of having a space station out there, because of the great good that can come from it.

Incidentally, I call to your attention with regard to that and put in a plug here. You're very shortly, I think, going to be seeing some television spots done by a private foundation—and maybe some of you are members and supporters of it—who are going to put spots on the air telling the American people what the space program has meant to all of us in the spinoffs—the things that we have found even with regard to medicine, to various health devices, to even a uniform for firemen that is more protective and so forth—that have all been spinoffs, with billions of dollars to the American people, of the shuttle program. So, we're really getting our money's worth there. And these things will be being shown to you very shortly.

Thank you very much.

Note: The President spoke at 12:55 p.m. in the Los Angeles Ballroom at the Century Plaza Hotel. He was introduced by former Attorney General William French Smith. Edmonde A. Haddad, president of the council, moderated the question-and-answer session. Prior to the luncheon, the President attended a reception for council leaders at the hotel.

Proclamation 5630—Arizona Diamond Jubilee Year, 1987

April 10, 1987

*By the President of the United States
of America*

A Proclamation

In 1912, the Territory of Arizona became the forty-eighth State to join the Union. The formation of the continental United States, "the lower forty-eight," was now complete.

At the time, the long trail of American pioneering across the continent seemed complete as well. But in the three-quarters of a century since then, the people of Arizona have shown again and again that they have never lost the tenacity and pioneer spirit that gained them statehood. Our Nation is much the better thereby.

Arizona has always presented challenges and frontiers to those who would settle there—Indians, missionaries, colonists, and pioneers alike. Today's Arizonans pioneer in high technology, medical research, space programs, astronomy, and many more fields of endeavor, and Americans continue to find opportunity in this beautiful State.

That beauty, from the Grand Canyon in the north to the Saguaro National Monument in the south, will forever epitomize the scenic majesty of the American West. Because the pioneer spirit of the people of Arizona continues to epitomize the American spirit, it is most fitting that every American celebrate the 75th anniversary of Arizona statehood.

The Congress, by Public Law, 100-10, has designated 1987 as "Arizona Diamond Jubilee Year" and authorized and requested the President to issue a proclamation in observ-

ance of the 75th anniversary of Arizona statehood.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim 1987 as Arizona Diamond Jubilee Year and call upon the people of the United States and the Federal, State, and local governments to commemorate the jubilee with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this tenth day of April, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 4:05 p.m., April 13, 1987]

Executive Order 12591—Facilitating Access to Science and Technology

April 10, 1987

By the authority vested in me as President by the Constitution and laws of the United States of America, including the Federal Technology Transfer Act of 1986 (Public Law 99-502), the Trademark Clarification Act of 1984 (Public Law 98-620), and the University and Small Business Patent Procedure Act of 1980 (Public Law 96-517), and in order to ensure that Federal agencies and laboratories assist universities and the private sector in broadening our technology base by moving new knowledge from the research laboratory into the development of new products and processes, it is hereby ordered as follows:

Section 1. Transfer of Federally Funded Technology.

(a) The head of each Executive department and agency, to the extent permitted by law, shall encourage and facilitate collaboration among Federal laboratories, State and local governments, universities, and the private sector, particularly small business, in order to assist in the transfer of technology

to the marketplace.

(b) The head of each Executive department and agency shall, within overall funding allocations and to the extent permitted by law:

(1) delegate authority to its government-owned, government-operated Federal laboratories:

(A) to enter into cooperative research and development agreements with other Federal laboratories, State and local governments, universities, and the private sector; and

(B) to license, assign, or waive rights to intellectual property developed by the laboratory either under such cooperative research or development agreements and from within individual laboratories.

(2) identify and encourage persons to act as conduits between and among Federal laboratories, universities, and the private sector for the transfer of technology developed from federally funded research and development efforts;

(3) ensure that State and local govern-

ments, universities, and the private sector are provided with information on the technology, expertise, and facilities available in Federal laboratories;

(4) promote the commercialization, in accord with my Memorandum to the Heads of Executive Departments and Agencies of February 18, 1983, of patentable results of federally funded research by granting to all contractors, regardless of size, the title to patents made in whole or in part with Federal funds, in exchange for royalty-free use by or on behalf of the government;

(5) implement, as expeditiously as practicable, royalty-sharing programs with inventors who were employees of the agency at the time their inventions were made, and cash award programs; and

(6) cooperate, under policy guidance provided by the Office of Federal Procurement Policy, with the heads of other affected departments and agencies in the development of a uniform policy permitting Federal contractors to retain rights to software, engineering drawings, and other technical data generated by Federal grants and contracts, in exchange for royalty-free use by or on behalf of the government.

Sec. 2. Establishment of the Technology Share Program. The Secretaries of Agriculture, Commerce, Energy, and Health and Human Services and the Administrator of the National Aeronautics and Space Administration shall select one or more of their Federal laboratories to participate in the Technology Share Program. Consistent with its mission and policies and within its overall funding allocation in any year, each Federal laboratory so selected shall:

(a) Identify areas of research and technology of potential importance to long-term national economic competitiveness and in which the laboratory possesses special competence and/or unique facilities;

(b) Establish a mechanism through which the laboratory performs research in areas identified in Section 2(a) as a participant of a consortium composed of United States industries and universities. All consortia so established shall have, at a minimum, three individual companies that conduct the majority of their business in the United States; and

(c) Limit its participation in any consorti-

um so established to the use of laboratory personnel and facilities. However, each laboratory may also provide financial support generally not to exceed 25 percent of the total budget for the activities of the consortium. Such financial support by any laboratory in all such consortia shall be limited to a maximum of \$5 million per annum.

Sec. 3. Technology Exchange—Scientists and Engineers. The Executive Director of the President's Commission on Executive Exchange shall assist Federal agencies, where appropriate, by developing and implementing an exchange program whereby scientists and engineers in the private sector may take temporary assignments in Federal laboratories, and scientists and engineers in Federal laboratories may take temporary assignments in the private sector.

Sec. 4. International Science and Technology. In order to ensure that the United States benefits from and fully exploits scientific research and technology developed abroad,

(a) The head of each Executive department and agency, when negotiating or entering into cooperative research and development agreements and licensing arrangements with foreign persons or industrial organizations (where these entities are directly or indirectly controlled by a foreign company or government), shall, in consultation with the United States Trade Representative, give appropriate consideration:

(1) to whether such foreign companies or governments permit and encourage United States agencies, organizations, or persons to enter into cooperative research and development agreements and licensing arrangements on a comparable basis;

(2) to whether those foreign governments have policies to protect the United States intellectual property rights; and

(3) where cooperative research will involve data, technologies, or products subject to national security export controls under the laws of the United States, to whether those foreign governments have adopted adequate measures to prevent the transfer of strategic technology to destinations prohibited under such national security export controls, either through participation in the

Coordinating Committee for Multilateral Export Controls (COCOM) or through other international agreements to which the United States and such foreign governments are signatories.

(b) The Secretary of State shall develop a recruitment policy that encourages scientists and engineers from other Federal agencies, academic institutions, and industry to apply for assignments in embassies of the United States; and

(c) The Secretaries of State and Commerce and the Director of the National Science Foundation shall develop a central mechanism for the prompt and efficient dissemination of science and technology information developed abroad to users in Federal laboratories, academic institutions, and the private sector on a fee-for-service basis.

Sec. 5. Technology Transfer from the Department of Defense. Within 6 months of the date of this Order, the Secretary of Defense shall identify a list of funded technologies that would be potentially useful to United States industries and universities. The Secretary shall then accelerate efforts to make these technologies more readily available to United States industries and universities.

Sec. 6. Basic Science and Technology Centers. The head of each Executive department and agency shall examine the potential for including the establishment of university research centers in engineering, science, or technology in the strategy and planning for any future research and development programs. Such university centers shall be jointly funded by the Federal Government, the private sector, and, where appropriate, the States and shall focus on areas of fundamental research and technology that are both scientifically promising and have the potential to contribute to the Nation's long-term economic competitiveness.

Sec. 7. Reporting Requirements.

(a) Within 1 year from the date of this Order, the Director of the Office of Science and Technology Policy shall convene an interagency task force comprised of the heads of representative agencies and the directors of representative Federal laboratories, or their designees, in order to identify and disseminate creative approaches to technology transfer from Federal laboratories. The task force will report to the President on the progress of and problems with technology transfer from Federal laboratories.

(b) Specifically, the report shall include:

(1) a listing of current technology transfer programs and an assessment of the effectiveness of these programs;

(2) identification of new or creative approaches to technology transfer that might serve as model programs for Federal laboratories;

(3) criteria to assess the effectiveness and impact on the Nation's economy of planned or future technology transfer efforts; and

(4) a compilation and assessment of the Technology Share Program established in Section 2 and, where appropriate, related cooperative research and development venture programs.

Sec. 8. Relation to Existing Law. Nothing in this Order shall affect the continued applicability of any existing laws or regulations relating to the transfer of United States technology to other nations. The head of any Executive department or agency may exclude from consideration, under this Order, any technology that would be, if transferred, detrimental to the interests of national security.

RONALD REAGAN

The White House,
April 10, 1987.

[Filed with the Office of the Federal Register, 11:10 a.m., April 21, 1987]

Statement on the Executive Order Facilitating Access to Science and Technology

April 10, 1987

I believe a vigorous science and technology enterprise involving the private sector is essential to our economic and national security as we approach the 21st century. Accordingly, I have today issued an Executive order, "Facilitating Access to Science and Technology." It is important not only to ensure that we maintain American preemi-

nence in generating new knowledge and know-how in advanced technologies but also that we encourage the swiftest possible transfer of federally developed science and technology to the private sector. All of the provisions of this Executive order are designed to keep the United States on the leading edge of international competition.

Executive Order 12592—President's Commission on Compensation of Career Federal Executives

April 10, 1987

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to establish, in accordance with the provisions of the Federal Advisory Committee Act, as amended (5 U.S.C. App. I), an advisory commission on compensation of career Federal executives, it is hereby ordered as follows:

Section 1. Establishment. There is established the President's Commission on Compensation of Career Federal Executives. The Commission shall be composed of seven members, to be appointed or designated by the President, not more than four of whom shall be employees of the Federal government. The President shall designate the Chairman of the Commission.

Sec. 2. Functions. (a) The Commission shall study the levels of compensation paid to career members of the Senior Executive Service (SES) and shall advise the President and the Director of the Office of Personnel Management on its findings and recommendations, including its conclusions on:

(1) what effects inflation has had on these pay levels;

(2) how these pay levels compare with those of similarly situated executives in the private sector;

(3) how these pay levels affect the recruitment and retention of career executives in

the Federal service;

(4) whether these pay levels are appropriate;

(5) how compensation of the Senior Executive Service should relate to compensation of (a) Executive Level employees, and (b) GS/GM employees; and

(6) whether legislation should be proposed to alter the President's authority to adjust SES compensation levels.

(b) The Commission shall report its findings and recommendations to the President and the Director of the Office of Personnel Management no later than August 1, 1987.

Sec. 3. Administration. (a) The heads of Executive departments and agencies shall, to the extent provided by law, provide the Commission such information with respect to the compensation of career Federal executives as it may require for purposes of carrying out its functions.

(b) Members of the Commission shall serve without compensation for their work on the Commission. However, members appointed from among private citizens of the United States shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in the government service (5 U.S.C. 5701-5707).

(c) The Director of the Office of Person-

nel Management shall, to the extent permitted by law and subject to the availability of funds, provide the Commission with such administrative services, facilities, staff, and other support services as may be necessary for the effective performance of its functions.

Sec. 4. General. (a) Notwithstanding the provisions of any other Executive order, the responsibilities of the President under the Federal Advisory Committee Act, as amended, except that of reporting annually to the Congress, which are applicable to the Commission established by this Order, shall

be performed by the Director of the Office of Personnel Management, in accordance with guidelines and procedures established by the Administrator of General Services.

(b) The Commission shall terminate 30 days after submission of its report to the President.

RONALD REAGAN

The White House,
April 10, 1987.

[Filed with the Office of the Federal Register, 11:12 a.m., April 21, 1987]

Radio Address to the Nation on Embassy Security in Moscow and Canada-United States Relations *April 11, 1987*

My fellow Americans:

Greetings from California. As you might have heard on the news, yesterday at the World Affairs Council in Los Angeles, I delivered a major foreign policy address concerning our relations with the Soviet Union. As I explained in that speech, I believe there's reason for optimism about the chances for better relations with the Soviets, but we also face some tough, contentious issues that require realism and strength of will on our part.

Secretary Shultz is leaving today for Moscow, where he will meet with Foreign Minister Shevardnadze and other high-echelon Soviet officials. In light of revelations concerning Soviet espionage activities, this meeting will be much weightier than expected. I've instructed Secretary Shultz to make Embassy security a major agenda item during his discussions with his Soviet counterpart. Recent events have made it clear that the Soviets have gone beyond the bounds of reason in their efforts to compromise the security of our current Embassy in Moscow. Unfortunately, no one is suggesting that Soviet espionage is not a fact of life, but what seems to be emerging is the picture of an intense espionage strategy that reflects a callous disregard for the consequences of such actions.

At the site of our new Embassy, sensors and listening devices have been discovered in the materials for the new building. This prompted me to announce this week that our diplomats will not be occupying our new Embassy unless and until I am assured that it is safe and secure. Likewise, the Soviets will not be permitted to move into their new Embassy in Washington, DC, until a simultaneous move can be made by both countries. What the Soviets have done is throw offtrack a bilateral process that has been moving forward since 1969, when an agreement was made, after long negotiations, about new Embassy sites. Over the years, with several of my predecessors, various agreements and understandings were reached, culminating in construction in 1977 of the new Soviet complex and 1979 of the new U.S. complex. Both the spirit and the letter of those understandings and agreements have been violated.

We do not take this lightly. I have asked former Defense Secretary Melvin Laird, under the general authority of the Secretary of State, to chair a top-level panel to investigate security at our Embassy and to give me a frank assessment. Parallel with this, my Foreign Intelligence Advisory Board, under Ambassador Anne Armstrong's leadership, will be examining secu-

urity and counterintelligence procedures used at our Embassies throughout the world. Both will make reports to me through the National Security Council. The condition of our new Embassy structure in Moscow is being evaluated. A determination will be made whether our new Embassy will ever be secure or whether it's necessary for us to destroy and rebuild it. Secretary Shultz will make certain the Soviets understand that if we're to improve relations such espionage tactics are totally unacceptable.

All this is certainly in stark contrast to the openness and friendship I found on my own diplomatic mission to Canada. Sunday and Monday I visited our northern neighbors and friends. My discussions with Prime Minister Mulroney were warm and, yes, productive. We spoke seriously about the environmental challenge of acid rain, for example, and we're going to do something about it. We also discussed our current efforts to tear down barriers to commerce and estab-

lish free trade between our peoples and countries.

The enthusiastic reception I received from the Canadian Parliament suggests that a free trade agreement between Canada and the United States is an idea whose time has come. I pledged to Prime Minister Mulroney and the people in Canada that we're going all out to make this visionary proposal of the Prime Minister a reality. We'll do it for the prosperity and jobs it will create in both our countries; but just as important, it will be an example to all the world that free and fair trade, and not protectionism, is the way to progress and economic advancement. What we seek is a world where all countries treat each other with the same spirit of benevolence and trust as is true between the United States and Canada.

Well, that's all for now. Until next week, thanks for listening, and God bless you.

Note: The President spoke at 9:06 a.m. from the Century Plaza Hotel in Los Angeles, CA.

Statement on Tax Reform

April 14, 1987

By April 15th millions of Americans will have filed their income tax returns, honestly and carefully fulfilling their duty as citizens. For most of us, tax day has never been what you would call a cause for celebration, but this year is different. This is the last gasp of the old Tax Code. This April 15th is the last time Americans will pay the higher, complicated rates of the old system. Starting this year, tax reform takes over: Now our tax laws are fairer, and personal income tax rates lower for most Americans. Approximately 80 percent of all taxpayers will be paying less in taxes or will be paying no taxes at all. From now on, April 15th will be a lot easier to take.

There are two stages to tax reform, two major tax rate cuts: one that started January 1st of this year, the next scheduled to take place the beginning of 1988. When tax reform is fully in effect, the personal ex-

emption—the deduction you take for yourself, your spouse, and every dependent in your household—that exemption will be practically doubled. The standard deduction also increases dramatically. Our present 14-rate structure will be collapsed into only 2 rates: 15 and 28 percent. Millions of Americans with low incomes will be dropped from the Federal income tax rolls altogether. Starting this year, America has the sleekest, most modern, most competitive tax structure of all the major industrialized nations. Our economic expansion, already one of the longest on record, is being given another shot of adrenaline. That means more jobs, more growth, more prosperity for all Americans.

That's the good news. The bad news is that some in the leadership of the Democratic Party are suggesting, in effect, repealing tax reform, delaying next year's tax rate

reduction and turning it into a mammoth tax increase on the American people. Some have other mischievous schemes for raising your taxes.

Let me put this in plain English: No way! Congress is proving again this year that it will simply spend every cent it takes away

from the people, and then it will spend a little more. We will not break our word to the American people. There will be no tax hike; tax rate cuts will go ahead as scheduled. We're cutting tax rates in 1987 and 1988, and they're going to stay that way.

Nomination of M. Alan Woods To Be Administrator of the Agency for International Development

April 15, 1987

The President today announced his intention to nominate M. Alan Woods to be Administrator of the Agency for International Development, U.S. International Development Cooperation Agency. He would succeed M. Peter McPherson.

Since 1985 Mr. Woods has been Deputy United States Trade Representative, with the rank of Ambassador. Previously, he was vice president (technology), Sears World Trade, 1983-1985; vice president, DGA

International, 1977-1983; Assistant Secretary of Defense (Public Affairs), Department of Defense, 1976-1977; and Special Assistant to the Secretary and Deputy Secretaries of Defense, Department of Defense, 1975-1976.

He graduated from American University (B.A., 1967). Mr. Woods is married and resides in Washington, DC. He was born October 13, 1945.

Statement on Meetings in Moscow Between Secretary of State Shultz and Soviet Leaders

April 15, 1987

Secretary Shultz has reported to me that his meetings in Moscow covered all items on our agenda: human rights, regional issues, bilateral affairs, Soviet violations of our Embassy, and arms reductions. I am pleased to report that progress was made in each of these areas, although more clearly remains to be done.

Reaching equitable, effectively verifiable, and stabilizing arms reductions agreements has long been one of the primary objectives of my administration. The exchanges that Secretary Shultz had in this area hold prom-

ise for an agreement on intermediate nuclear forces at some point in the not too distant future. Agreements on START and space and defense will be more difficult, but we will continue our efforts in these areas. Consultations with our allies, particularly on the Soviet proposals on short-range intermediate nuclear forces, are especially important. I look forward to meeting with Secretary Shultz tomorrow, at which time I will receive a full report on the details of his Moscow meetings and his briefings with our NATO allies.

Appointment of William Barclay Allen as a Member of the Commission on Civil Rights

April 15, 1987

The President today announced his intention to appoint William Barclay Allen to be a member of the Commission on Civil Rights for a term expiring December 5, 1992.

Since 1983 Dr. Allen has been a professor of government, Claremont Graduate School, department of humanities and social sciences, Harvey Mudd College in Claremont, CA. Previously he was associate professor, Claremont Graduate School, Harvey Mudd College, 1976–1983. His initial appointment to that institution was as an as-

sistant professor, 1972; he received tenure and became an associate professor in 1976. Dr. Allen was an assistant professor of government, the American University, School of Government and Public Administration, in Washington, DC, 1971–1972.

He graduated from Pepperdine University (B.A., 1967), Claremont Graduate School (M.A., 1968; Ph.D., 1972). He is married, has one child, and resides in Claremont, CA. He was born March 18, 1944, in Fernandina Beach, FL.

Statement by Assistant to the President for Press Relations Fitzwater on Nuclear Nonproliferation Guidelines

April 16, 1987

The President is pleased to announce a new policy to limit the proliferation of missiles capable of delivering nuclear weapons. The U.S. Government is adopting this policy today in common with the Governments of Canada, France, the Federal Republic of Germany, Italy, Japan, and the United Kingdom. These nations have long been deeply concerned over the dangers of nuclear proliferation. Acting on this concern, these seven governments have formulated guidelines to control the transfer of equipment and technology that could contribute to nuclear-capable missiles.

This initiative was completed only recently, following several years of diplomatic discussions among these governments. The fact that all seven governments have agreed to common guidelines and to a common

annex of items to be controlled serves to prevent commercial advantage or disadvantage for any of the countries. Both the guidelines and its annex will be made available to the public.

The President wishes to stress that it is the continuing aim of the United States Government to encourage international cooperation in the peaceful use of modern technology, including in the field of space. The guidelines are not intended to impede this objective. However, such encouragement must be given in ways that are fully consistent with the nonproliferation policies of the U.S. Government. The United States, and its partners in this important initiative, would welcome the adherence of all states to these guidelines in the interest of international peace and security.

Appointment of William B. Lytton III as Deputy Special Counsellor to the President

April 16, 1987

The President today announced the appointment of William B. Lytton III to be Deputy Special Counsellor to the President. He will succeed Charles N. Brower.

Since 1983 Mr. Lytton has been a partner in the Philadelphia law firm of Kohn, Savett, Klein & Graf, P.C. From 1985 to 1986, he served as staff director and chief counsel of the Philadelphia Special Investigation (MOVE) Commission. Prior to joining the above firm, he served in the United States attorney's office in Philadelphia as first assistant United States attorney (1981–1983), chief of the criminal division (1980–1981), and in the special prosecution division (1978–1980); the United States attorney's office in Chicago (1975–1978); special counsel to the minority, Permanent Sub-

committee on Investigations, U.S. Senate (1973–1975); minority staff, Government Operations Committee, U.S. Senate (1972–1973); and on the legislative staff of Senator Charles H. Percy (1971–1972). Mr. Lytton has been a lecturer in law at Temple University School of Law, an instructor at the National Institute of Trial Advocacy, and a lecturer and instructor at the Attorney General's Advocacy Institute.

Mr. Lytton graduated from Georgetown University with a B.A. degree in 1970. In 1973 he earned a J.D. degree from American University Law School. He was born August 22, 1948, in St. Louis, MO, and resides in Devon, PA, with his wife and two children.

Remarks and a Question-and-Answer Session With Reporters on Meetings in Moscow Between Secretary of State Shultz and Soviet Leaders

April 16, 1987

The President. I have a statement here. I have just received a full report from Secretary Shultz on his talks in Moscow and his consultations with our allies. And George, as usual, put forward our positions in Moscow with firmness and great skill. It's clear to me that the visit was very useful in advancing the dialog between our countries in a number of areas—human rights, bilateral relations, regional issues, and arms reductions.

The contacts the Secretary had with divided families, church groups, private individuals, paid public tribute to the courage of those in the Soviet Union struggling for human rights. He made clear to the Soviet leaders that self-determination for Afghanistan and Soviet troop withdrawal were essential to peace. Important progress was made in arms reductions. On intermediate-

range nuclear missiles, we've narrowed the gaps a little more. After we consult further with our allies, we may have new ideas to offer. I remain optimistic about an agreement this year. There was movement on nuclear testing talks and on a ban on chemical weapons. On strategic defensive reductions and defense in space, the talks were detailed and useful, and will intensify.

When I return to Washington, I will meet with the bipartisan congressional leadership to review this week's progress. It's my hope that the process now underway continues to move forward and that Mr. Gorbachev and I can complete an historic agreement on East-West relations at a summit meeting. And in that connection, I will consult personally with our NATO allies on further negotiations and plans. And again, I am deeply grateful to the Secretary.

Secretary Shultz. Thank you, Mr. President.

Q. Mr. President, has Gorbachev boxed in the alliance with his position on shorter range missiles at this point?

The President. George, would you like to answer that one? I don't think—I don't feel boxed in.

Secretary Shultz. I don't say so at all. I think that we had a very good meeting in Brussels this morning and reviewed the whole process, and I think the opportunities before us—and we have different alternative ways to go—are all very positive.

Q. Well, did the NATO leaders indicate that they're prepared to give up not only the medium-range option but also the shorter range option at this point?

Secretary Shultz. Well, we're discussing that, and they're taking counsel, and we'll come to a view.

Q. Is it fair to say a disagreement at this point, Mr. Secretary?

Secretary Shultz. No, it isn't fair to say that. It's fair to say people are considering an important offer that the Soviets put on the table when I was in Moscow. And you don't just react to things like that; you think them over.

Q. But the President said there was not much progress on START. Do you—are you reconciled that there will not be time in your Presidency to negotiate a cutback with strategic missiles?

The President. No, I'm not reconciled to that at all. We feel—take that very seriously, and we intend to keep on that path also.

Q. Are you eager to see a summit this year, Mr. President, regardless of whether you've got an agreement in hand on INF?

The President. I think that it—I look forward to and am hopeful that we can have a summit. But it must be one that is carefully

planned and prepared and that there must be something that we feel we can accomplish.

Q. An arms agreement—does it have to be on the table at that point?

The President. There has to be some substantial agreements that would make it worthwhile having a summit.

Q. Mr. President, were you suggesting a moment ago that there will not be another summit unless there is virtual agreement on some kind of arms control—

The President. No, I'm saying that it must be carefully prepared and that we should have a prospect there of being able to arrive at some very substantial agreements.

Q. Mr. President, what about embassy security? Is there any progress, any change?

The President. That is—

Secretary Shultz. Well, one was clear when I was there, that the advance teams and the communications people did a terrific job. The old “can-do” American spirit came out, and they provided me—I've been to Moscow quite a few times—with the best communications setup, the best set of confidential meeting places that I have had the experience of using. So, our guys came through.

The President. Well, I think we've all been here enough, and George has to get back down the mountain.

George—

Secretary Shultz. Thank you.

The President. Thank you.

Note: The President spoke at 6:50 p.m. at his ranch in Santa Barbara County, CA. Prior to his remarks, the President met with Secretary of State George P. Shultz; Howard H. Baker, Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs.

Statement on Tariff Increases on Japanese Semiconductor Products April 17, 1987

I am today releasing the list of Japanese exports to the United States upon which tariffs are being raised, effective today, in

response to Japan's inability to enforce our September 1986 agreement on semiconductor trade. I announced my intent to take

these actions on March 27 after it became apparent that Japan has not enforced major provisions of the agreement aimed at preventing dumping of semiconductor chips in third-country markets and improving U.S. producers' access to the Japanese market. The health and vitality of the U.S. semiconductor industry are essential to America's future competitiveness. We cannot allow it to be jeopardized by unfair trading practices.

In my March 27 announcement, I said we would impose tariffs on \$300 million in Japanese exports to the United States to offset losses suffered by American semiconductor producers as a result of the agreement not being fully implemented. The products upon which the tariffs are being raised were chosen to minimize the impact on

American consumers and businesses. All these products are available from domestic or other foreign producers. These actions are being taken to enforce the principles of free and fair trade. I regret that these actions were necessary.

We will eliminate them as soon as we have firm and continuing evidence that the dumping in third-country markets has stopped and that access to the Japanese market has improved. I am encouraged by recent actions taken by the Government of Japan to improve their compliance with the U.S.-Japan semiconductor agreement. I believe the agreement is in the best interests of both Japan and the United States, and I look forward to the day when it is working as effectively as it should.

Proclamation 5631—Increase in the Rates of Duty for Certain Articles From Japan *April 17, 1987*

*By the President of the United States
of America*

A Proclamation

1. On April 17, 1987, I determined pursuant to section 301 of the Trade Act of 1974, as amended ("the Act") (19 U.S.C. 2411), that the Government of Japan has not implemented or enforced major provisions of the Arrangement concerning Trade in Semiconductor Products, signed on September 2, 1986, and that this is inconsistent with the provisions of, or otherwise denies benefits to the United States under, a trade agreement; and is unjustifiable and unreasonable and constitutes a burden or restriction on United States commerce. Specifically, the Government of Japan has not met its commitments to increase market access opportunities in Japan for foreign-based semiconductor producers or to prevent "dumping" through monitoring of costs and export prices of exports from Japan of semiconductor products. I have further determined, pursuant to section 301(b) of the Act (19 U.S.C. 2411(b)), that the appropriate and

feasible action in response to such failure is to impose increased duties on certain imported articles that are the products of Japan.

2. Section 301(a) of the Act (19 U.S.C. 2411(a)) authorizes the President to take all appropriate and feasible action within his power to obtain the elimination of an act, policy, or practice of a foreign government or instrumentality that (1) is inconsistent with the provisions of, or otherwise denies benefits to the United States under, a trade agreement; or (2) is unjustifiable, unreasonable, or discriminatory and burdens or restricts United States commerce. Section 301(b) of the Act authorizes the President to suspend, withdraw, or prevent the application of benefits of trade agreement concessions with respect to, and to impose duties or other import restrictions on the products of, such foreign government or instrumentality for such time as he determines appropriate. Pursuant to section 301(a) of the Act, such actions can be taken on a nondiscriminatory basis or solely against the products of the foreign govern-

ment or instrumentality involved. Section 301(d)(1) of the Act (19 U.S.C. 2411(d)(1)) authorizes the President to take action on his own motion.

3. I have decided, pursuant to section 301(a), (b), and (d)(1) of the Act, to increase U.S. import duties on the articles provided for in the Annex to this Proclamation that are the products of Japan.

Now, Therefore, I, Ronald Reagan, President of the United States of America, acting under the authority vested in me by the Constitution and the statutes of the United States, including but not limited to sections 301(a), (b), and (d)(1) and section 604 of the Act (19 U.S.C. 2483), do proclaim that:

1. Subpart B of part 2 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is modified as set forth in the Annex to this Proclamation.

2. The United States Trade Representative is authorized to suspend, modify, or terminate the increased duties imposed by

this Proclamation upon publication in the *Federal Register* of his determination that such action is in the interest of the United States.

3. This Proclamation shall be effective with respect to articles entered, or withdrawn from warehouse for consumption, on or after April 17, 1987, except that it shall not apply with respect to articles that were admitted into a U.S. foreign trade zone on or before March 31, 1987.

In Witness Whereof, I have hereunto set my hand this seventeenth day of April, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:09 a.m., April 21, 1987]

Note: The annex was printed in the "Federal Register" of April 22.

Memorandum on Tariff Increases on Japanese Semiconductor Products

April 17, 1987

Memorandum for the United States Trade Representative

Subject: Determination Under Section 301 of the Trade Act of 1974

Pursuant to section 301 of the Trade Act of 1974, as amended (19 U.S.C. 2411), I have determined that the Government of Japan has not implemented or enforced major provisions of the Arrangement concerning Trade in Semiconductor Products ("the Arrangement"), signed on September 2, 1986, and that this is inconsistent with the provisions of, or otherwise denies benefits to the United States under, the Arrangement; and is unjustifiable and unreasonable, and constitutes a burden or restriction on U.S. commerce. I also have determined, pursuant to section 301 of the Act, to proclaim increases in customs duties to a level of 100 percent *ad valorem* on certain prod-

ucts of Japan in response. The tariff increases I am proclaiming shall be effective with respect to the covered products of Japan which are entered on and after April 17, 1987. I am taking this action to enforce U.S. rights under a trade agreement and to respond to the acts, policies and practices of the Government of Japan with respect to the Arrangement.

Reasons for Determination

In the Arrangement, the Government of Japan joined the Government of the United States in declaring its desire to enhance free trade in semiconductors on the basis of market principles and the competitive positions of the semiconductor industries in the two countries. The Government of Japan committed: (1) to impress upon Japanese semiconductor producers and users the need aggressively to take advantage of in-

creased market access opportunities in Japan for foreign-based semiconductor firms; and (2) to provide further support for expanded sales of foreign-produced semiconductors in Japan through establishment of a sales assistance organization and promotion of stable long-term relationships between Japanese purchasers and foreign-based semiconductor producers. Finally, both Governments agreed that the expected improvement in access to foreign-based semiconductor producers should be gradual and steady over the period of the Arrangement.

Although the Government of Japan has taken some steps toward satisfying these obligations, they have been inadequate; foreign-based semiconductor producers still do not have access in that market equivalent to that enjoyed by Japanese firms.

In the Arrangement, the Government of Japan also committed: (1) to prevent "dumping" through monitoring of costs and export prices of semiconductor products exported from Japan; and (2) to encourage Japanese semiconductor producers to conform to antidumping principles. Again, the Government of Japan has taken steps toward satisfying these obligations, but they have been inadequate.

Consultations were held with the Govern-

ment of Japan on numerous occasions between September 1986 and April 1987 in order to enforce U.S. rights under the Arrangement and to ensure that the Government of Japan undertake concerted efforts to fulfill its obligations under the Arrangement. To date these obligations have not been met.

On March 27, 1987, I announced my intention to raise customs duties to a level of 100 percent *ad valorem* on as much as \$300 million in Japanese exports to the United States in response to the lack of implementation or enforcement by the Government of Japan of major provisions of the Arrangement. I also announced that the products against which retaliatory action would be taken would be selected after a comment period ending April 14, 1987. Finally, I announced that sanctions would remain in effect until there is firm and continuing evidence that indicates that the Government of Japan is fully implementing and enforcing the Arrangement.

This determination shall be published in the *Federal Register*.

RONALD REAGAN

Note: The determination was printed in the "Federal Register" of April 22.

Nomination of Frank J. Gaffney, Jr., To Be an Assistant Secretary of Defense

April 17, 1987

The President today announced his intention to nominate Frank J. Gaffney, Jr., to be an Assistant Secretary of Defense (International Security Policy). He would succeed Richard N. Perle.

Mr. Gaffney is currently Deputy Assistant Secretary for Nuclear Forces and Arms Control Policy at the Department of Defense. Previously, he served as a senior professional staff member on the Committee on Armed Services in the United States Senate (1981-1983); professional staff

member on the Committee on Armed Services, U.S. Senate (February 1981-December 1981); and a participant in the national security task force on the President-elect's transition team (November 1980-January 1981).

Mr. Gaffney graduated from Georgetown University (B.S., 1975) and Johns Hopkins University (M.A., 1978). He was born April 5, 1953, in Pittsburgh, PA. Mr. Gaffney is married and has one child. He resides in Washington, DC.

Nomination of James H. Billington To Be Librarian of Congress *April 17, 1987*

The President today announced his intention to nominate James H. Billington to be Librarian of Congress. He would succeed Daniel J. Boorstin.

Mr. Billington is currently the Director of the Woodrow Wilson International Center for Scholars, Washington, DC. He was a professor of history at Princeton University (1964–1973). Mr. Billington is a director of the Association of American Oxonians, a past director of the American Association for the Advancement of Slavic Studies, and a member of the Council on Foreign Relations. He has been a longtime member of the editorial advisory board of Foreign Af-

fairs and Theology Today. He is the author of *Mikhailovsky and Russian Populism* (1958), *The Arts of Russia* (1970), and *Fire in the Minds of Men: Origins of the Revolutionary Faith*, (1980). He has written widely in *Life*, *Foreign Affairs*, and other professional and popular journals.

Mr. Billington graduated from Princeton University (B.A., 1950) and Oxford University (Ph.D., 1953). He was a Rhodes scholar at Balliol College (1950). Mr. Billington served in the United States Army, 1953–1956. He was born June 1, 1929, in Bryn Mawr, PA. Mr. Billington is married, has four children, and resides in Washington, DC.

Radio Address to the Nation on Soviet-United States Relations *April 18, 1987*

My fellow Americans:

This week we commemorate Easter and Passover, annual events of profound religious significance. It's appropriate that during this holy time our Secretary of State journeyed to the Soviet Union on a mission of peace, and I'm pleased that the word from that trip is good. While in Moscow, Secretary Shultz presented a new American proposal and made constructive progress toward reaching an agreement to reduce our respective nuclear arsenals and establishing better relations between our countries. Building a more peaceful world is our goal.

Secretary Shultz reports to me that headway was made in his discussions with his Soviet counterparts on several issues. He made clear, for example, that Americans take human rights seriously, as is evident during this week of religious import. We cannot and will not close our eyes to the suppression of religious freedom, be the victim a Christian, a Jew, or other religious faith. Secretary Shultz demonstrated this when he represented all of us in a Passover dinner, a *seder*, as it is called, with Soviet

Jews in Moscow. Secretary Shultz noted that the favorable resolution of several human rights cases is a good sign. There are many cases of divided families and separated spouses that can be easily resolved, and we'll be watching.

In our contacts with Soviet leaders, we've also pushed for the settlement of regional conflicts that have brought destruction, misery and death to the peoples of Afghanistan, Angola, Cambodia, Nicaragua, and elsewhere. If an overall lessening of tensions is expected between the United States and the Soviet Union, the Soviets and their clients will have to show a readiness to accept peaceful, negotiated solutions instead of prolonging bloodshed.

The issue of embassy security was forcefully raised, as well. Secretary Shultz let it be known that recent Soviet espionage outrages have gone beyond reason. Today the United States and the Soviet Union have an opportunity to take tangible, step-by-step progress toward a more peaceful world. This is in both our interests. Nowhere is that more evident than in our talks about reducing the number of nuclear weapons

threatening mankind. An actual reduction in the number of nuclear weapons would be an historic first, an accomplishment both sides could build upon for further progress.

Secretary Shultz reports that his talks in Moscow left him optimistic that an agreement to reduce the number of longer range INF missiles is within reach. Significant issues remain, and our negotiators will intensify their efforts to clear them away when talks resume in Geneva later this month. When Mr. Gorbachev and I met in Reykjavik last year, we reached an understanding on some of the basic tenets of an agreement to reduce intermediate-range missiles. In the intervening months, we've been encouraged by signs of Soviet willingness to remove the roadblocks that have been holding back progress. In Moscow Secretary Shultz sought to clarify the Soviet position. He reaffirmed the basic structure of the Reykjavik formula. And both governments agreed to the principle of on-site verification. Shorter range INF missiles, weapons that are of direct concern to our European allies, were also part of the discussions in Moscow. Both sides of the table agree that a limit should be set on the number of

these shorter range missiles and that a global framework will be the basis of discussion and that the principle of equality will govern.

Secretary Shultz has briefed our allies on the details and has given me a full report on their initial reaction. Direct consultations with our allies will continue on further negotiations and plans. We must look at this issue in a calm, careful, and deliberate manner. When I return to Washington, I will meet with the bipartisan congressional leadership to review this week's progress. It's my hope that the process now underway continues to move forward and that Mr. Gorbachev and I can complete an historic agreement on East-West relations at a summit meeting. Finding the pathway to a safer, more peaceful world will take unity among free peoples as well as all the courage, tenacity, and hardnosed bargaining power we Americans can muster. Secretary Shultz was scouting out the way in Moscow. Our message is: We are proceeding.

Until next week, thanks for listening, and God bless you.

Note: The President spoke at 9:06 a.m. from his ranch in Santa Barbara County, CA.

Remarks and a Question-and-Answer Session at Camp Ronald McDonald for Good Times in Santa Barbara, California *April 18, 1987*

The President. I want you to know that Nancy and I are very proud and happy to be here. Incidentally, we're neighbors, because just a few miles over the hills there a little ways, why, we have a ranch that's very dear to us. But hearing what Pepper had to say about love, yes, there is so much love here, and we're very proud and happy to be a part of it. And maybe you'd like to know that things like this, people like Pepper and these others here who have made this a reality and this camp out of love, this has been pretty unique and pretty peculiar to the United States. Other countries—this doesn't happen. The government does things in the other countries, or they

don't get done.

But I thought you'd be happy to know that this year we have been doing a little talking to some of our friendly neighbors in the rest of the world. And as a result of that, there has been a meeting held in Paris, France [International Conference on Private Sector Initiatives], of representatives from those countries—all those countries, our neighbors and trading partners and those other countries—for them to find out from us how we get things like this done by the people themselves doing it, instead of waiting for a government program. And so, I think we're going to see things like this happening to help people all over

the world.

You know, though—I can't resist this—I know I only have a few minutes, because all of us have schedules and things to do.

Mrs. Edmiston. As much as you want.

The President. No, but I just thought, instead of me going on here and talking, just—I can only do this for maybe two or three—but sometimes you must have said to yourself, "If I had a chance, I'd like to ask him if. . . ." Well, why don't you ask me "if," and we'd have a dialog instead of a monolog.

Mrs. Edmiston. Oh, boy!

The President. What?

Mrs. Edmiston. Who's got a question here for the President? Look, they're tongue-tied. [Laughter] You kids have not stopped talking.

The President. What? Who? There?

Mrs. Edmiston. Michael.

The President. Michael?

Secretary of State Shultz's Visit to Moscow

Q. How's Mr. Shultz doing on the ordeal of—[laughter]—

The President. On the ordeal of what?

Q. The ordeal of the nuclear missiles.

The President. Well, let me tell you, he was just back and came to the ranch Thursday, and we had a nice visit here. He's back. It was a very strenuous trip. Over there they seem to like to hold meetings. He'd be in meetings like 8 hours. But I think there is great reason for hope. For the first time—I don't think anyone's very much—this hasn't been said enough—but it's the first time there has ever been a Russian leader who has actually suggested eliminating, doing away with, some of the weapons. There've been meetings before, but it was always to decide, well, how fast a rate should we agree to build more weapons. And this time they are actually suggesting, as we have been, let's do away with some of those weapons.

And he's come home very optimistic, and we're all looking forward to carrying this through to where we can make some start in eliminating these terrible ballistic missiles. And my ultimate goal is, once we start that, ultimately to get rid of nuclear missiles all over the world forever.

Mrs. Edmiston. There's a little boy over

here.

The President. Yes?

The President's Plans for the Future

Q. Mr. President, I wanted to ask you: What are you going to do after you finish being the President? [Laughter]

Mrs. Edmiston. Good question.

The President. Well, first, I'm going to come back to the ranch and do some riding. But I think there are some things to be done. You know, someone once said life begins when you begin to serve. Well, I think by virtue of holding this job maybe there are still some useful things that I can do. For one thing, I have thought about the possibility of writing a book so that you could get the true story of what has been going on. [Laughter]

Mrs. Edmiston. That would be great.

The President. But I think there will be some things of that kind—and still continuing to help in worthy and good causes.

Mrs. Edmiston. Will you maybe be a counselor? [Laughter]

Just Say No Program

Q. I would just like to say to Mrs. Reagan: Thank you for your Just Say No program. I think it's—

The President. Nancy, can I tell them on you? Nancy said, "Just say no" in answer to a question from a little girl in school who asked, "What do you do when someone offers drugs?" And she said, "Just say no." Today there are over 12,000 Just Say No clubs among young people across the United States.

Mrs. Edmiston. There's a little boy in a wheelchair that had yelled—over there.

The President. Oh, yes?

Q. I sent you a letter, and I just wanted to thank you for sending me one back.

The President. Well, I was pleased to, and I appreciate your writing. Thank you.

I think I'm getting the signal that I've been here too long. [Laughter] If there were just one more, and then I would quit. Yes?

The President's Health

Q. How do you stay so healthy? [Laughter]

The President. Well, Nancy takes good

care of me. She tucks me in at night—[laughter]—and tells me to put something warm on if I start to go outdoors without it and so forth. [Laughter] But, no, to tell you the truth—and this is for all of you, and I know how much this means—I was always in athletics. I went to summer camps; I liked that very much. And we have a little exercise room there in the White House that we set up. And every day when I come up from the office, why, I go in to the Nautilus machine and start to work on some of the weights and so forth there, and it does very well.

The President's Nickname

Q. Where did you get your nickname of Dutch?

The President. Dutch? Well, with an Irish father and a mother that was English and Scotch, if I hadn't heard the real story

myself, I wouldn't know how I came to be called Dutch Reagan. But my father would come home, and I guess I was rather a chubby baby, and he would refer to me as the Dutchman: "And how is the Dutchman?" And having an older brother, the rest of the kids in the neighborhood—it stuck, and I grew up with the name of Dutch Reagan.

Q. It's a great name.

Mrs. Edmiston. Thank you so much.

The President. Well, all right. Thank you all.

Note: The President spoke at 1:20 p.m. at the camp. In his opening remarks, he referred to Mrs. Pepper A. Edmiston, director of the camp which was a project of Southern California Children's Cancer Services, Inc.

Statement by Assistant to the President for Press Relations Fitzwater on the Military Rebellion in Argentina April 19, 1987

One of the pillars of President Reagan's foreign policy is to support democratic institutions in Latin America. The United States is deeply disturbed by any development which threatens civilian constitutional and democratic rule in Argentina. We strongly urge that these officers desist in their defiant attitude and abide by the law.

The return of Argentina in 1983 to a system of representative government was applauded by democrats everywhere. Since 1983, and throughout the current incident, the Argentine people have repeatedly manifested their firm commitment to de-

mocracy through free elections and the full exercise of their constitutional rights. Under the leadership of President Alfonsín, impressive gains have been made in the consolidation of democracy and the economic development of Argentina. We have supported Argentine democracy from its restoration in 1983, and we strongly reaffirm our support of President Alfonsín and the continued rule of law in Argentina.

Note: After a visit by President Raúl Alfonsín to the troops that had rebelled, order was restored.

Proclamation 5632—National Minority Cancer Awareness Week, 1987

April 19, 1987

By the President of the United States of America

A Proclamation

The month of April, a season of renewal and hope, is a most appropriate time in which to discuss good news about cancer prevention and treatment. Major advances in our understanding of this disease provide encouragement both to patients and to medical and scientific professionals. More Americans are surviving cancer longer than ever before—more than half of those diagnosed as having cancer live 5 years or longer—and they are able to lead more active lives than before.

This is good news indeed, but the fight continues. An area of special concern is that high cancer rates continue to exist among members of some minority groups. We must keep on circulating information throughout society, supporting research into reasons for these rates, and making sure that we as individuals and families take the initiative to become informed and to act on everything learned from years of discovery and progress.

Cancer strikes minority groups in many ways. Cancer incidence and mortality are higher for blacks than for whites, while survival rates are lower and diagnosis during the early, localized, most treatable stages of cancer is less frequent. Black men are particularly vulnerable, but black women have high rates of lung and cervical cancer. The incidence of lung, stomach, prostate, and esophageal cancer is higher for blacks than for others. Cancer rates for Hawaiian males and females top those of other Americans. Some forms of cancer, particularly of the stomach, are higher in Hispanics than in other ethnic groups.

The Federal government is supporting research into causes of these situations. Health planners are proposing new prevention programs. The National Cancer Institute (NCI) is training minority professionals to work in cancer prevention and stepping

up its efforts to inform and educate members of minority groups about cancer.

We have learned a great deal about causes of cancer. A change of diet to include more fiber and less fat will help reduce the estimated 35 percent of cancer deaths that are related to what we eat. This is because diets low in fiber and high in fats appear to increase the risk of cancers of the colon, prostate, breast, and uterine lining. Other changes can also reduce the risk of cancer. Examples of two areas are cigarette smoking, which causes an estimated 85 percent of all lung cancer, and high alcohol intake, which increases the risk of esophageal cancer.

The more we educate ourselves and others, and the more we continue to support all fronts of the battle against cancer, the more headway we will make for members of minority groups and for all Americans.

The Congress, by House Joint Resolution 119, has designated the week of April 19 through April 25, 1987, as "National Minority Cancer Awareness Week" and authorized and requested the President to issue a proclamation in observance of this week.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week of April 19 through April 25, 1987, as National Minority Cancer Awareness Week. I call upon public officials at all levels; members of the medical and health professions; business, religious, and civic groups and leaders; and the communications media to join this special effort to help minority Americans take advantage of new knowledge to conquer cancer. I especially urge each American, young and old, to take a new look at this disease and help reduce the toll it takes on us all.

In Witness Whereof, I have hereunto set my hand this 19th day of April, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred

and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Regis-

ter, 11:23 a.m., April 22, 1987]

Note: The proclamation was released by the Office of the Press Secretary on April 21.

Notice of the Continuation of the National Emergency With Respect to Nicaragua

April 21, 1987

On May 1, 1985, by Executive Order No. 12513, I declared a national emergency to deal with the threat to the national security and foreign policy of the United States constituted by the situation in Nicaragua. On April 22, 1986, I announced the continuation of that emergency beyond May 1, 1986. Because the actions and policies of the Government of Nicaragua continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States, the national emergency declared on May 1, 1985, and subsequently extended, must continue in effect beyond May 1, 1987. Therefore, in accordance with

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency with respect to Nicaragua. This notice shall be published in the *Federal Register* and transmitted to the Congress.

RONALD REAGAN

The White House,
April 21, 1987.

[Filed with the Office of the Federal Register, 4:54 p.m., April 21, 1987]

Note: The notice was printed in the "Federal Register" of April 23.

Letter to the Speaker of the House of Representatives and the Chairman of the Senate Foreign Relations Committee Reporting on the Cyprus Conflict

April 21, 1987

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with Public Law 95-384, I am submitting to you a bimonthly report on progress toward a negotiated settlement of the Cyprus question.

During this period U.N. Secretary General Perez de Cuellar continued his efforts to restore momentum to the search for a peaceful Cyprus settlement. On his instructions, U.N. Under Secretary General Goulding visited Cyprus February 4-7 to discuss with the Greek and Turkish Cypriot sides procedural ideas that could help move the negotiating process forward. Mr. Goulding proposed the holding of separate, exploratory talks in Nicosia between U.N. officials

and representatives of the two sides. These discussions would be informal and nonbinding and were intended to help the Secretary General carry forward his good offices mission.

In mid-March, the two Cypriot sides reviewed the Secretary General's proposals with the Secretary General's Acting Special Representative on Cyprus. The Greek Cypriot side said its general position on the proposal was positive, although this did not imply any change in its view on the necessity for priority discussion of the issues of importance to it, or in its support for the convening of an international conference.

The Turkish Cypriot side expressed its concern that the proposed procedure could undercut the Secretary General's March 1986 draft framework agreement, which the Turkish Cypriot side had accepted and the Greek Cypriot side had not. As of this date, U.N. Secretariat officials are continuing their contacts with the two sides on the proposal advanced by Mr. Goulding.

In both public statements and private discussions during this period, Administration officials have stressed our continuing support for the U.N. Secretary General's

Cyprus mission. We have also been urging those directly involved with the Cyprus issue to seek every opportunity to improve the atmosphere on the island so as to enhance the prospects for progress toward a negotiated settlement.

Sincerely,

RONALD REAGAN

Note: Identical letters were sent to Jim Wright, Speaker of the House of Representatives, and Claiborne Pell, chairman of the Senate Foreign Relations Committee.

Message to the Congress on the Continuation of the National Emergency With Respect to Nicaragua

April 21, 1987

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Nicaraguan emergency is to continue in effect beyond May 1, 1987, to the *Federal Register* for publication. A similar notice was sent to the Congress and the *Federal Register* on April 22, 1986, extending the emergency beyond May 1, 1986.

The actions and policies of the Government of Nicaragua continue to pose an un-

usual and extraordinary threat to the national security and foreign policy of the United States. If the Nicaraguan emergency were allowed to lapse, the present Nicaraguan trade controls would also lapse, impairing our Government's ability to apply economic pressure on the Sandinista government and reducing the effectiveness of our support for the forces of the democratic opposition in Nicaragua. In these circumstances, I have determined that it is necessary to maintain in force the broad authorities that may be needed in the process of dealing with the situation in Nicaragua.

RONALD REAGAN

The White House,
April 21, 1987.

Message to the Congress Transmitting the Spain-United States Agreement on Social Security

April 21, 1987

To the Congress of the United States:

Pursuant to Section 233(e)(1) of the Social Security Act, as amended by the Social Security Amendments of 1977 (P.L. 95-216,

42 U.S.C. 433(e)(1)), I transmit herewith the Agreement between the United States of America and Spain on Social Security which consists of two separate instruments. The

Agreement was signed at Madrid on September 30, 1986.

The U.S.-Spain Agreement is similar in objective to the social security agreements already in force with Belgium, Canada, the Federal Republic of Germany, Italy, Norway, Sweden, Switzerland, and the United Kingdom. Such bilateral agreements provide for limited coordination between the United States and foreign social security systems to overcome the problems of gaps in protection and of dual coverage and taxation for workers who move from one country to the other.

I also transmit for the information of the Congress a comprehensive report prepared

by the Department of Health and Human Services, which explains the provisions of the Agreement and provides data on the number of persons affected by the Agreement and the effect on social security financing as required by the same provision of the Social Security Act.

The Department of State and the Department of Health and Human Services join with me in commending the U.S.-Spain Social Security Agreement and related documents.

RONALD REAGAN

The White House,
April 21, 1987.

Announcement of the Recipients of the Presidential Medal of Freedom

April 21, 1987

The President today announced his intention to award the Presidential Medal of Freedom, the highest civilian award of our government, at a luncheon to be held at the White House on June 23, 1987. The following individuals will be given this prestigious award by the President:

Ambassador Anne Armstrong, for her contributions as a diplomatic representative for the United States.

Mr. Justin W. Dart, Sr., (posthumous), for his contributions in the fields of business and public service.

Mr. Danny Kaye (posthumous), actor, for his contributions in the fields of the arts and entertainment and other significant public endeavors.

General Lyman Lemnitzer, for his contributions

of outstanding military service to his country.

Mr. John McCone, for his contributions in the fields of public service and national interests of the United States as former Director of CIA.

Dr. Frederick Patterson, founder of the United Negro College Fund, for his contributions in the fields of education and public service.

Mr. Nathan Perlmutter, for his contributions in the field of public service.

Mr. Mstislav Rostropovich, maestro, for his contributions in the fields of the arts and entertainment.

Dr. William B. Walsh, founder of Project HOPE, for his contributions in the fields of medicine and humanitarianism.

Mr. Meredith Willson (posthumous), composer, for his contributions in the fields of entertainment and music.

Executive Order 12593—President's Committee on the Arts and the Humanities

April 21, 1987

By the authority vested in me as President by the Constitution and laws of the United States of America, and in accordance with the provisions of the Federal Advisory Committee Act, as amended (5 U.S.C. App. 1), it is hereby ordered as follows:

Section 1. In order to provide for additional members of an advisory committee that assists in efforts to increase private sector support for the arts and the humanities, Section 1(a) of Executive Order No. 12367 is hereby amended by deleting the phrase "not more than twenty persons" and

inserting in lieu thereof the phrase "such number of additional persons."

Sec. 2. Section 4(b) of Executive Order No. 12367 is hereby amended to read in full: "The Committee shall terminate on September 30, 1989, unless sooner extended."

RONALD REAGAN

The White House,
April 21, 1987.

[Filed with the Office of the Federal Register, 11:30 a.m., April 22, 1987]

Nomination of Ewen M. Wilson To Be an Assistant Secretary of Agriculture

April 21, 1987

The President today announced his intention to nominate Ewen M. Wilson to be an Assistant Secretary of Agriculture (Economics). He would succeed Robert L. Thompson.

Mr. Wilson is currently Deputy Assistant Secretary for Economics at the Department of Agriculture. Previously he was vice president of economics and statistics at the

American Meat Institute, from 1977 to 1985.

Mr. Wilson graduated from the University of London (B.S., 1965), the University of West Virginia (M.S., 1970), and North Carolina State University (Ph.D., 1973). He was born July 29, 1944, in Nairobi, Kenya. Mr. Wilson is married, has three children, and resides in Falls Church, VA.

Nomination of June Gibbs Brown To Be Inspector General of the Department of Defense

April 21, 1987

The President today announced his intention to nominate June Gibbs Brown to be Inspector General of the Department of Defense. She would succeed Joseph H. Sherick.

Mrs. Brown is currently Associate Administrator of the National Aeronautics and Space Administration (NASA). Previously,

she was vice president and chief financial officer of the System Development Corp., 1985–1986; Inspector General of NASA, 1981–1985; and Inspector General of the U.S. Department of the Interior, 1979–1981.

Mrs. Brown graduated from Cleveland State University (B.A., 1971; M.B.A., 1972)

and the University of Denver School of Law (J.D., 1978). She was born October 5, 1933,

in Cleveland, OH. Mrs. Brown is married and resides in Arlington, VA.

Nomination of Charles F. Rule To Be an Assistant Attorney General *April 21, 1987*

The President today announced his intention to nominate Charles F. Rule to be an Assistant Attorney General (Antitrust Division). He would succeed Douglas H. Ginsburg.

Mr. Rule is currently Acting Assistant Attorney General (Antitrust Division) at the Department of Justice. Previously, he served at the Department of Justice as Deputy Assistant Attorney General for Regulatory Affairs (Antitrust Division), 1985–

1986; Acting Assistant Attorney General, April 1985–September 1985; Deputy Assistant Attorney General for Policy, Planning & Legislation, 1984–1985; and special assistant, Antitrust Division, 1982–1984.

Mr. Rule graduated from Vanderbilt University (B.A., *summa cum laude*, 1978) and the University of Chicago Law School (J.D., 1981). He was born April 28, 1955, in Nashville, TN. Mr. Rule is married, has one child, and resides in Washington, DC.

Nomination of Dorothy Livingston Strunk To Be an Assistant Secretary of Labor *April 21, 1987*

The President today announced his intention to nominate Dorothy Livingston Strunk to be Assistant Secretary of Labor for Mine Safety and Health. She would succeed David A. Zegeer.

Since 1979 Mrs. Strunk has served as the senior legislative associate on the Committee on Education and Labor, U.S. House of

Representatives. Previously she was the office manager for the Committee on Ways and Means in the U.S. House of Representatives, 1978–1979.

Mrs. Strunk was born January 2, 1948, in Nanticoke, PA. She is married, has two children, and currently resides in Fort Washington, MD.

Nomination of David F. Demarest To Be an Assistant Secretary of Labor *April 21, 1987*

The President today announced his intention to nominate David F. Demarest to be an Assistant Secretary of Labor (Public and Intergovernmental Affairs). This is a new position.

Mr. Demarest is Deputy Under Secretary for Public and Intergovernmental Affairs at

the Department of Labor. He was Director for Public and Intergovernmental Affairs in the Office of the U.S. Trade Representative, 1984–1985; and division director, Republican National Committee, 1977–1981.

Mr. Demarest graduated from Upsala College (B.A., 1973) and attended Drew

University Graduate School, 1974–1975. He was born October 8, 1951, in Glen Ridge,

NJ. Mr. Demarest is married and resides in Alexandria, VA.

Accordance of the Personal Rank of Ambassador to Holly H. Coors While Serving as Special Representative to the 1987 National Year of the Americas

April 21, 1987

The President today accorded the personal rank of Ambassador to Holly H. Coors in her capacity as Special Representative to the 1987 National Year of the Americas. Mrs. Coors will provide leadership, under the policy guidance of the Secretary of State, for increasing understanding and awareness of our neighbors on the part of the American people. She will recommend appropriate conferences, workshops, ceremonies, and other activities relating to public and private sector involvement in the Year of the Americas.

Mrs. Coors was a member of the Peace Corps Advisory Council, 1982–1984, and

since 1984 has been a member of the Board of Visitors to the United States Air Force Academy. In 1980 she was a delegate to the Republican National Convention and from 1981 to 1984 was chairman of the Colorado Citizens for a New Beginning. In 1984 Mrs. Coors also served as chairman of the Colorado delegation to the Republican National Convention and was chairman, Colorado Reagan-Bush, 1984.

Mrs. Coors was born August 25, 1921, in Bangor, ME. She received her A.A. from Mary Lyon Junior College. She resides in Colorado with her husband, Joseph Coors, and they have five children.

Appointment of John A. Svahn as United States Commissioner on the Commission for the Study of Alternatives to the Panama Canal

April 21, 1987

The President today announced his appointment of John A. Svahn to be Commissioner of the United States of America on the Commission for the Study of Alternatives to the Panama Canal. He would succeed Arthur H. Davis.

Mr. Svahn is currently a senior fellow at the Heritage Foundation. From 1983 to 1986, he served at the White House as Assistant to the President for Policy Development. He was Under Secretary of the U.S. Department of Health and Human Services, March 1983–September 1983; and Commis-

sioner for Social Security at the Department of Health and Human Services, 1981–1983.

Mr. Svahn graduated from the University of Washington (B.A., 1966). He attended the University of the Pacific, McGeorge School of Law (1969–1973), and Georgetown University School of Law (1973–1974). Mr. Svahn served in the United States Air Force, 1966–1968. He was born May 13, 1943, in New London, CT. Mr. Svahn is married, has two children, and resides in Severna Park, MD.

Nomination of Marshall Turner, Jr., To Be a Member of the Board of Directors of the Corporation for Public Broadcasting *April 21, 1987*

The President today announced his intention to nominate Marshall Turner, Jr., to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1992. He would succeed Richard Brookhiser.

Mr. Turner is currently a general partner with Taylor & Turner Associates, Ltd., in San Francisco. From 1975 to 1980, he

served as chief executive officer at Liquid Crystal Technology, Inc.

Mr. Turner graduated from Stanford University (B.S., 1964; M.S., 1965) and Harvard University (M.B.A., 1970). He served in the U.S. Public Health Service, 1966–1968. Mr. Turner was born October 10, 1941, in Santa Monica, CA. He is married, has three children, and resides in Belvedere, CA.

Nomination of Lawrence M. Hecker To Be Deputy Administrator of the Federal Aviation Administration *April 21, 1987*

The President today announced his intention to nominate Lawrence M. Hecker to be Deputy Administrator of the Federal Aviation Administration. He would succeed Richard H. Jones.

Mr. Hecker is currently vice president of flight operations for Western Airlines in Los Angeles. Previously, he was senior director of flight operations for Air Atlanta, Inc., 1984–1985; formed an independent aviation

consultant group, 1983; and was vice president of operations (corporate officer) for Simuflight Training, Inc., 1981–1983.

Mr. Hecker attended Georgia Tech (1940–1941) and the United States Coast Guard Academy (1941–1943). He served in the United States Navy, 1942–1953. Mr. Hecker was born May 27, 1923, in New York, NY. He is married, has six children, and resides in New Canaan, CT.

Nomination of Ruth Reeve Jenson To Be a Member of the National Advisory Council on Educational Research and Improvement *April 21, 1987*

The President today announced his intention to nominate Ruth Reeve Jenson to be a member of the National Advisory Council on Educational Research and Improvement for a term expiring September 30, 1989. She would succeed Donna Helene Hearne.

Mrs. Jenson is currently a teacher and the director of student activities at Salpointe Catholic High School in Tucson, AZ. Previously she was with Venture Travel, Inc.,

1983–1985. Mrs. Jenson was an upper school principal, a history/government teacher, and a lower school teacher at the St. Michael and All Angels Parish Day School, 1975–1984.

Mrs. Jenson graduated from Northern Michigan University (B.A., 1964). She was born in Valley City, ND. Mrs. Jenson is married, has three children, and resides in Tucson, AZ.

Nomination of Louis L. Guy, Jr., To Be a Member of the Board of Directors of the National Institute of Building Sciences

April 21, 1987

The President today announced his intention to nominate Louis L. Guy, Jr., to be a member of the Board of Directors of the National Institute of Building Sciences for a term expiring September 7, 1989. He would succeed Philip D. Winn.

Mr. Guy is currently a partner with Guy & Davis Consulting Engineers in Burke, VA. Previously, he was vice president of

SCS Engineers, Inc., 1981–1983, and a partner with Patton, Harris, Rust and Guy, P.C., 1973–1981.

Mr. Guy graduated from Virginia Polytechnic Institute (B.S., 1959). He served in the United States Army, 1959–1962. Mr. Guy was born April 26, 1930, in Norfolk, VA. He is married, has three children, and resides in Annandale, VA.

Nomination of Robert D. Orr To Be a Member of the Board of Directors of the National Railroad Passenger Corporation

April 21, 1987

The President today announced his intention to nominate Robert D. Orr to be a member of the Board of Directors of the National Railroad Passenger Corporation (Amtrak) for a term expiring April 27, 1990. This is a reappointment.

Governor Orr has been serving as Governor of Indiana since 1981. He was elected Lieutenant Governor of Indiana in 1972

and 1976. Governor Orr is a former officer and chairman of Indian Industries, Inc., a manufacturer of recreational products.

Governor Orr graduated from Yale University (B.S., 1940). He served in the U.S. Army during World War II. Governor Orr was born November 17, 1917, in Ann Arbor, MI. He is married, has three children, and resides in Evansville, IN.

Proclamation 5633—Cancer Control Month, 1987

April 21, 1987

*By the President of the United States
of America*

A Proclamation

In the 50 years since President Franklin D. Roosevelt signed the National Cancer Institute Act, on August 5, 1937, our Nation has taken giant steps toward the conquest of cancer. Unparalleled growth in our understanding of the biology of cancer has changed what we can do to detect, diagnose, and treat this disease, and has made cancer prevention an attainable goal. These achievements should be a source of immense pride to scientists and to the Ameri-

can public, and should help us rededicate ourselves to the control of this disease.

It is sobering to realize that strong, scientific evidence links many forms of cancer to the way we live, especially the foods we eat and the use of tobacco. We know, for example, that smoking causes 30 percent of all cancer deaths. Just as important, though, we know that quitting smoking, even after many years, can reduce the risk of cancer. For two years now, we have seen a decreasing incidence of lung cancer among white males, and it looks as if the rate for white females is moving in the same direction.

This encouraging downward trend reflects gradual changes in smoking patterns over the past two decades. Unfortunately, however, black Americans are still experiencing high rates of smoking-related cancers. More needs to be done to educate groups with high incidence of cancer about the dangers of smoking. We also must do everything we can to urge our young people not to start smoking.

The estimate that 35 percent of the cancer deaths in this country are related to diet means that dietary changes can make a big difference. Fortunately, the changes we need to make are simple—cutting fat consumption down from our current average of nearly 40 percent of total calories to 30 percent or less, and doubling our daily consumption of fiber from fruits, vegetables, and wholegrain products.

Scientists have known for many years that the chances of recovering from cancer are best when the disease is found and treated at an early stage. Everyone should learn the warning signs of cancer and have symptoms checked by a physician without delay. Moreover, some types of cancer can be detected even before they cause symptoms. All adults should ask their doctors about special tests and examinations that can detect early cancer. As examples, women should ask about the value of regular mammography and Pap smears to detect breast and cervical cancers.

Because 24 percent of all cancers affect people under the age of 55, we are encour-

aged by the declining cancer death rate among Americans in that age group. Another noteworthy trend is the decrease in the death rates from colon cancer, a disease that mainly affects older people.

In 1938, the Congress of the United States passed a joint resolution (52 Stat. 148; 36 U.S.C. 150) requesting the President to issue an annual proclamation declaring April to be Cancer Control Month.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the month of April 1987 as Cancer Control Month. I invite the Governors of the fifty States and the Commonwealth of Puerto Rico, and the appropriate officials of all other areas under the United States flag, to issue similar proclamations. I also ask the health care professionals, communications industry, food industry, community groups, women's organizations, and all other interested persons and groups to unite during this month to reaffirm publicly our Nation's continuing commitment to control cancer.

In Witness Whereof, I have hereunto set my hand this twenty-first day of April, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:26 a.m., April 22, 1987]

Proclamation 5634—Law Day, U.S.A., 1987 April 21, 1987

*By the President of the United States
of America*

A Proclamation

For 30 years, as the United States has celebrated the first of May as Law Day, U.S.A., Americans have taken time to reflect on our legal heritage and the greatness it has brought to our Nation. This year, Law Day is of special significance because its theme, "We the People," highlights one of

the most important observances of our time—the Bicentennial of the Constitution, our charter of liberty and justice under law.

Abraham Lincoln characterized our government as being "of the people, by the people, and for the people." The same can be said of the Constitution. It is the framework of our Republic, enshrining liberty for all alike. Two centuries ago, this immortal document was drafted by Americans who

had fought a Revolution for the freedom they cherished and who shaped their dreams of freedom into a blueprint for a free Nation—for a free people whose God-given liberties would never again be subject to the arbitrary dominance of any one individual.

The Preamble of our Constitution begins, “We the People of the United States, . . . do ordain and establish this Constitution for the United States of America.” Here is the genius, the hope, and the promise of America forever and for all mankind: “We the People.” In our Constitution, we the people tell government what it may do and what it may not; the people are sovereign, not the state. Thanks to our Constitution, the rule of law in the United States means the rule of the people. This is the difference between our Constitution and so many others; this is freedom.

Law Day, U.S.A., is a time to give thanks for our legacy of liberty under law and for the Constitution that preserves this priceless heritage—and to recall our sacred trust as Americans to protect our Constitution and our country as others have done for us.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim Friday, May 1, 1987, as Law Day, U.S.A. I urge the people of the United States to use this occasion to reflect on our Constitution and its protection of the rights and liberties of “We the People.” I call upon the legal profession, schools, public bodies, libraries, courts, the communications media, business, the clergy, civic, service, and fraternal organizations, and all interested individuals and organizations to join in efforts to focus attention on the need for the rule of law. I also call upon all public officials to display the flag of the United States on all government buildings on Law Day.

In Witness Whereof, I have hereunto set my hand this twenty-first day of April, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:27 a.m., April 22, 1987]

Proclamation 5635—Older Americans Month, 1987 *April 21, 1987*

*By the President of the United States
of America*

A Proclamation

Throughout our history, we Americans have always cherished our God-given rights to life, liberty, and the pursuit of happiness, and our freedom of opportunity. We have fought wars for them, and we have created a system of limited constitutional government to perpetuate them. We have also voluntarily joined together to enhance life and guarantee opportunity for our neighbors when the need has arisen.

We should bear these truths in mind as the number of older Americans increases—and we should remember that one day all of us will also become older Americans. Our older citizens have lived lives of achieve-

ment and have sacrificed much for our country and for each of us. They possess a wealth of experience, talent, and wisdom and a willingness to share them. Older Americans cherish their freedom and independence and want to remain in their homes and communities as active and contributing citizens. To help senior citizens reach this goal, we can fulfill our responsibilities as family members and friends, and we can also work to create community systems of services for them.

Much has been done already, but much remains to be done. Under the Older Americans Act, local and State agencies on aging were established to plan, develop, and coordinate services to help older people remain in their own homes and communities as long as possible. People in every

town, city, neighborhood, and rural community have the challenge and the opportunity to lay the foundation for their own truly responsive community systems for older Americans.

The Congress, by Senate Joint Resolution 64, has requested the President to proclaim May 1987 as "Older Americans Month."

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the month of May 1987 as Older Americans Month. I ask public officials at all levels, business and civic leaders, and all Americans to become concerned about the welfare of our Nation's older people, to consider ways to ensure the independence of older people by using commu-

nity resources to forge a system of comprehensive and coordinated services for them, and to work to establish such systems in each community.

In Witness Whereof, I have hereunto set my hand this twenty-first day of April, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 2:25 p.m., April 22, 1987]

Note: The proclamation was released by the Office of the Press Secretary on April 22.

Nomination of Nicholas Platt To Be United States Ambassador to the Philippines

April 22, 1987

The President today announced his intention to nominate Nicholas Platt, of the District of Columbia, a career member of the Senior Foreign Service, Class of Career Minister, as Ambassador to the Republic of the Philippines. He would succeed Stephen Warren Bosworth.

Mr. Platt entered the Foreign Service of the United States in 1959. Prior to that, he was a research assistant at the Washington Center for Foreign Policy Research. From 1959 to 1961, he served as vice consul in Windsor, Ontario, Canada. He studied the Chinese language, 1962-1963, at the Foreign Service Institute and in Taichung, Taiwan. In 1964 he was assigned as political officer at the American consulate general in Hong Kong until 1968, when he became China desk officer in the Bureau of East Asian and Pacific Affairs. From 1969 to 1971, Mr. Platt was chief of the Asian Communist Areas Division of the Bureau of Intelligence and Research. In 1971-1973, he served as Deputy Director, and then Director, of the Secretariat Staff in the Department of State. Mr. Platt was assigned as chief of the political section, U.S. Liaison

Office, Peking, China, 1973-1974, and then as deputy chief of the political section at the Embassy in Tokyo, Japan, 1974-1977. He returned to Washington to serve as Director for Japanese Affairs in 1977 and then served as a staff member on the National Security Council at the White House, 1978-1980. From 1980 to 1981, he was Deputy Assistant Secretary of Defense, International Security Affairs, Department of Defense, and then returned to the Department of State as Deputy Assistant Secretary, International Organization Affairs, 1981-1982. Mr. Platt was appointed Ambassador to the Republic of Zambia in 1982, where he served until 1985, when he was named Special Assistant to the Secretary of State and Executive Secretary of the Department of State.

Mr. Platt graduated from Harvard College (B.A., 1957) and Johns Hopkins University School of Advanced International Studies (M.A., 1959). He is articulate in Chinese, German, French, and Japanese. Mr. Platt was born March 10, 1936, in New York, NY. He resides in Arlington, VA, with his wife and three sons.

Nomination of Fred J. Eckert for the Rank of Ambassador While Serving as United States Representative to the United Nations Agencies for Food and Agriculture in Rome

April 22, 1987

The President today announced his intention to nominate Fred J. Eckert, of Virginia, for the rank of Ambassador during the tenure of his service as United States Representative to the United Nations Agencies for Food and Agriculture in Rome. He would succeed Millicent Fenwick.

Mr. Eckert began his career as a public relations executive with the Catholic Foreign Mission Society of America in Ossining, NY, 1964–1965. He then became public relations specialist, General Foods Corp. in White Plains, from 1965 to 1967. Mr. Eckert joined the advertising and public relations agency of Rumrill-Hoyt, Inc., in Rochester as an account executive in 1967, and was with them until he became chief

executive of municipal government, Town of Greece, NY, from 1970 to 1973. He was elected to the New York State Senate in 1973, and served until 1982. He was also president of Eckert Associates, Inc., in Rochester, 1973–1982 and 1984. Mr. Eckert was appointed as Ambassador to Fiji, the Republic of Kiribati, the Kingdom of Tonga and Tuvalu in 1982, and served until 1984 when he was elected to be a Member of Congress, New York's 30th Congressional District, until January 1987.

Mr. Eckert graduated from North Texas State University (B.A., 1965). He was born May 6, 1941, in Rochester, NY. He resides in Arlington, VA, with his wife and two children.

Nomination of Samuel B. Thomsen To Be United States Representative to the Marshall Islands

April 22, 1987

The President today announced his intention to nominate Samuel B. Thomsen, of California, a Foreign Service Officer of Class One, as the United States Representative to the Republic of the Marshall Islands. He will be the first accredited American representative to this country.

Mr. Thomsen was executive director of the university religious conference of Santa Barbara, in Santa Barbara, CA, from 1957 to 1960. He joined the Foreign Service in 1960, and was first assigned as a management analyst in the State Department until 1962, when he took Vietnamese language training in Washington, DC, and Saigon, Vietnam. He served as a political officer in Saigon, 1963–1964, and then as a consul in Hue, Vietnam, 1964–1966. He served as a political advisor to the commanding general of the U.S. Marines in Vietnam, Lt. Gen. Lewis Walt, from July 1965 to July 1966. He

then returned to the United States and studied at Cornell University in Ithaca, NY, 1966–1967. In 1967 Mr. Thomsen was assigned as a political officer in Vientiane, Laos. He returned to Washington, DC, in 1970 to serve as an exchange officer in the headquarters of the Marine Corps until he was assigned as a special assistant in the Bureau of Political-Military Affairs, and later as the political officer until 1973. In February of 1973, he went to Danang, Vietnam, as the deputy consul general until July of the same year when he returned to the Department of State as a country director for Laos in the Bureau of East Asian Affairs. From 1974 to 1976, he was Deputy Chief of Mission and Chargé d'Affaires in Gaborone, Botswana. From 1976 to 1979, he served as the cultural affairs officer at the U.S. Embassy in Lagos, Nigeria. From 1979 to 1980, he was officer-in-charge of Nigerian Affairs

in the Bureau of African Affairs. In 1980 he was assigned to the Office of International Science and Technology Cooperation in the Bureau of Oceans and International Environmental and Scientific Affairs, first as Deputy Director (1980–1981), and then as Director (1981–1983). Since 1983 he has been Deputy United States Representative for Micronesian Status Negotiations in

Washington, DC.

Mr. Thomsen graduated from the University of California at Los Angeles (B.A., 1957). He is articulate in French and Vietnamese. Mr. Thomsen was born July 10, 1931, in St. Paul, MN. He served in the United States Army, 1951–1954. Mr. Thomsen resides in Falls Church, VA, with his wife and three children.

Nomination of Thomas W. Pauken To Be a Member of the Board of Directors of the Inter-American Foundation

April 22, 1987

The President today announced his intention to nominate Thomas W. Pauken to be a member of the Board of Directors of the Inter-American Foundation for the term expiring October 6, 1992. He would succeed Luis Guerrero Nogales.

Mr. Pauken is vice president and corporate counsel of Garvon, Inc., in Dallas, TX. He was the Director of the ACTION

Agency, 1981–1985. Mr. Pauken was a practicing attorney between 1974 and 1981.

Mr. Pauken graduated from Georgetown University (B.A., 1965) and Southern Methodist University (J.D., 1973). He served in the United States Army from 1967 to 1970. Mr. Pauken was born January 11, 1944, in Victoria, TX. He resides in Dallas, TX, with his wife and seven children.

Remarks at the White House Correspondents Association Annual Dinner

April 22, 1987

The President. Thank you very much, Norm Sandler. And since I've been in this office for a while longer, and you're just starting, do you mind if I make a suggestion? Might make things easier for you. On August 8th write down what you did. *[Laughter]*

Then, of course, Bill Plante—outgoing. Here we are, Bill, both outgoing presidents. *[Laughter]* Since you're doing it a little ahead of me, I hope you won't mind if I come around later to find out what it's like in the outside world. *[Laughter]* I know we share some experiences by way of our office. I understand that a gentleman from Maryland some time ago wrote you recently registering a complaint and suggesting that there should be a button on TV sets that we could press and make your camera bounce

billiard balls off your head. *[Laughter]* I don't want you to take offense—I wouldn't push that button for anything in the world, Bill—*[laughter]*—but I was so fascinated by his high-technology abilities that I'm putting him on the Federal Communications Commission. *[Laughter]*

And you know, of course, that we're just back from California. We introduced Howard Baker to ranch life. We put him in the saddle, and he really took to it. He told me he'd never been so excited by anything, that just sitting in that saddle made his heart race. Next time we're going to put the saddle on a horse. *[Laughter]*

But a lot happened while we were gone. Texaco declared bankruptcy, Senator Simon declared for the Presidency, Gary Hart did

both. [Laughter] Then we had that little thing with the Japanese. Jim Wright and I agreed that there are three things we must do to balance the trade deficit. We can't remember what they are. [Laughter] Also, last week Amy Carter was in the news. [Laughter] I'd always thought that if she rebelled it'd mean she'd become a Young Republican. [Laughter]

And we've still got that spying problem at our Embassy in Moscow. You have to use a child's magic slate to communicate. I don't know why everyone thinks that's such a big deal. The Democrats have been doing the budget on one of those for years. [Laughter] But the Soviets have really gone too far. It's no secret that I wear a hearing aid. Well, just the other day, all of the sudden, it went haywire. We discovered the KGB had put a listening device in my listening device. [Laughter]

And I know a lot of you have been having some fun with my advancing years. You even tied my recent surgery to my age. Well, I got to be honest with you, I had that same operation when I was young, and it felt so good I wanted to have it done again before I was too old. [Laughter] But I am aware of my age. When I go in for a physical now they no longer ask me how old I am, they just carbon date me. [Laughter]

Incidentally, I've got a news item for you: We have a spinoff from our star wars research. It's a helmet for me to wear at press conferences. [Laughter] All I do is push a button, and it shoots down incoming questions. [Laughter] You have to admit, though, that my attitude is better than linebacker George Atkinson's when he was with the Oakland Raiders. Someone asked him what the players' reaction would be if the press box blew up. He said, "We'd have 30 seconds of respectful silence and then continue with enthusiasm." [Laughter] Now, honest, I don't feel that way—maybe once in a while. [Laughter]

I'm sure we get exasperated now and then with each other, but that's just the friction of freedom. You know, when I first got to Washington, I tried to establish a relationship with Tip O'Neill. And we were doing pretty well, and then one day I picked up the paper and read something that really prompted me to call him. And I

said, "Tip, I thought we had a good relationship going, and then I read this news story." And Tip said, "Well, old buddy, that's just politics. After 6 o'clock, we're friends." I started wearing a watch that was permanently set at 6 p.m. [Laughter] I'll start wearing that watch again if you'll do the same.

You know, in spite of our disagreements, I have a positive opinion of reporters. And I think it all goes back to one of my favorite reporters, Ernie Pyle. During World War II his columns about "your boys," as he called them, were devoured in the homefront. His books were bestsellers. His understanding of ordinary soldiers was clear and heartfelt. He himself was a victim of the war, killed by enemy machinegun fire. He once wrote: "There is a good deal of gaiety in wartime, humor and exuberance still exist." Our soldiers are still as roughly good-humored as they always were, and they laugh easily, although there isn't as much to laugh about as there used to be. Well, if we keep the need for humor to be important parts of our jobs as correspondents and politicians, maybe we can get through the daily battles without losing our spirit or temper or perspective. I think this would be good for both the press and the Presidency.

Nancy, would you like to join me up here for—please? I know it's getting late, dear, but it's not often that we have so many people who have written about us and—[laughter]—broadcast about us all together in one room like this, and I thought you might like to say a few nice words to them. [Laughter] They're all from the press and radio and television. Maybe just a friendly little greeting would do. [Laughter] How about just a word or two—something friendly—even one kind word.

Mrs. Reagan. I'm thinking. I'm thinking. [Laughter]

The President. Seriously, my friends, as always, we've had our share of laughs tonight at one another's expense, which is as it should be in a city where the issues are important and the passions run so deep. Maybe the fun and good nature of evenings like this is a good place to start.

Mrs. Reagan. So, thank you for your hospitality, and thank you for inviting us.

Thank you.

The President. Thank you all very much.

Note: The President spoke at 10:20 p.m. in the International Ballroom at the Washing-

ton Hilton Hotel. He was introduced by Norman D. Sandler, White House correspondent for United Press International and incoming president of the White House Correspondents Association.

Letter to the Speaker of the House of Representatives and the President of the Senate Transmitting a Report on the Activities of United Nations Member Countries

April 23, 1987

Dear Mr. Speaker: (Dear Mr. President:)

Pursuant to Title V, Section 528 of the Foreign Assistance and Related Programs Appropriations Act, 1987, as contained in Public Law 99-500, I am transmitting herewith the report on the activities of countries within the United Nations and its specialized agencies.

This report assesses the degree of support of United States foreign policy in the United Nations context by the governments of countries which are members of the United Nations.

In addition, this report includes the report required of the Secretary of State under Section 117 of Public Law 98-164 on the performance of UN member countries in international organizations.

Sincerely,

RONALD REAGAN

Note: Identical letters were sent to Jim Wright, Speaker of the House of Representatives, and George Bush, President of the Senate.

Proclamation 5636—National Defense Transportation Day and National Transportation Week, 1987

April 23, 1987

By the President of the United States of America

A Proclamation

Throughout our history, the building and improvement of transportation links have been vital to the exploration and settlement of our country and to the development of its commerce. We can all be grateful that these processes have never ceased and that the spirit of enterprise that motivated early American pioneers still thrives today.

During the early decades of our Republic, planners, engineers, and workmen built the Cumberland Road from western Maryland to central Illinois. This road started what was to become a vast, 42,000-mile network of interstate and defense highways across

the United States.

Other notable undertakings illustrate the evolution of Americans' mobility. By 1825, the Erie Canal opened the Great Lakes to commerce; its success spurred a huge inland waterway system, including the St. Lawrence Seaway. By 1850, more than a thousand steamboats plied our rivers, and clipper ships came to dominate trade with China. By 1869, the transcontinental railroad was completed. Technological advances of the late 19th and early 20th centuries brought the automobile and the airplane, and further developments resulted in space flight.

Our land, water, and air transportation systems provide us with fast, efficient, and

safe personal and commercial travel. They are vital not only to our economy and our personal mobility, but also to the defense of our Nation. Our ability to transport people and materials in time of emergency is a critical aspect of our national security.

In recognition of the importance of transportation and of the millions of Americans who serve and supply our transportation needs, the Congress has requested, by joint resolution approved May 16, 1957 (36 U.S.C. 160), that the third Friday in May of each year be designated as "National Defense Transportation Day"; and by joint resolution approved May 14, 1962 (36 U.S.C. 166), that the week in which that Friday falls be proclaimed "National Transportation Week."

Now, Therefore, I, Ronald Reagan, Presi-

dent of the United States of America, do hereby proclaim Friday, May 15, 1987, as National Defense Transportation Day and the Week of May 10 through May 16, 1987, as National Transportation Week. I urge the people of the United States to observe these occasions with appropriate ceremonies that will give full recognition to the importance of our transportation system to this country.

In Witness Whereof, I have hereunto set my hand this twenty-third day of April, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 2:45 p.m., April 23, 1987]

Proclamation 5637—Seventy-Fifth Anniversary Year of the Department of Labor

April 23, 1987

By the President of the United States of America

A Proclamation

March 4, 1988, will be the seventy-fifth anniversary of President William Howard Taft's signing into law an act establishing the United States Department of Labor. In celebrating this milestone, we honor both the mandate of this ninth Executive department and the men and women who have made that mandate a reality through the years.

Recognition of the need for a Department of Labor began in the late 19th and early 20th centuries. Labor organizations such as the Knights of Labor and the American Federation of Labor (AFL) urged the creation of a Federal department to deal with matters affecting working people. A Bureau of Labor was established in the Department of the Interior in 1884. This Bureau was made an independent, but not Executive-rank, Department of Labor in 1888. When the Department of Commerce and Labor was created in 1903, the Depart-

ment of Labor returned to bureau status within it. The famed labor leader Samuel Gompers and others then campaigned for a Cabinet-level Department of Labor.

That campaign bore fruit with President Taft's bill-signing in 1913. The mandate of the Department of Labor was "to foster, promote, and develop the welfare of the wage earners of the United States, to improve their working conditions and to advance their opportunities for profitable employment." That immense task has inspired the Department ever since.

The Department has fulfilled its duties during war and peace, during depression and prosperity. Through the years, the Department of Labor has improved the lives of working people and benefited all Americans through its contributions to the success of our economy.

Among other tasks, the Department helps workers find and train for jobs; monitors changes in employment, prices, and other economic measures; oversees the broad range of working conditions and safeguards

working people's rights; assures and strengthens collective bargaining; and ensures freedom from discrimination. Seeking to help business and industry achieve economic growth and stability, the Department also promotes cooperative relationships between labor and management and encourages collaborative efforts with trade unions and employer organizations.

The Department has played a significant international role as well, cultivating understanding among labor organizations throughout the world and fostering free unions and efficient governmental labor institutions in other nations.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the year 1988 as United States Department of Labor Seventy-fifth Anniversary Year. I call upon the people of the United States to observe this Anniversary Year with appropriate programs, ceremonies, and activities. In order to enhance par-

ticipation in this important observance, I call upon the Secretary of Labor to establish an Honorary Committee for the Department of Labor Seventy-fifth Anniversary Year, and to invite all living former Secretaries of Labor and the Presidents of the AFL-CIO and the Chamber of Commerce to act as Co-Chairs of the Committee. I also call upon the Secretary to invite other distinguished persons to serve as Committee members, including representatives of the Congress, labor, management, and academia.

In Witness Whereof, I have hereunto set my hand this twenty-third day of April, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 2:46 p.m., April 23, 1987]

Nomination of Dale A. Petroskey To Be an Assistant Secretary of Transportation

April 23, 1987

The President today announced his intention to nominate Dale A. Petroskey to be an Assistant Secretary of Transportation (Public Affairs). He would succeed Jennifer Ann Hillings.

Mr. Petroskey served in the White House as Assistant Press Secretary from April 1985 to March 1987. Prior to this, he was administrative assistant to U.S. Congressman Wil-

liam Goodling, 1981-1985; press secretary to Congressman Mark Siljander, April 1981-December 1981; and assistant press secretary for Michigan house Republicans in Lansing, MI, 1978-1981.

Mr. Petroskey graduated from Michigan State University (B.A., 1978). He was born August 17, 1955, in Detroit, MI. He is married and resides in Springfield, VA.

Nomination of Janet L. Norwood To Be Commissioner of Labor Statistics

April 23, 1987

The President today announced his intention to nominate Janet L. Norwood to be Commissioner of Labor Statistics, United States Department of Labor, for a term of 4

years. This is a reappointment.

Mrs. Norwood has served as the Commissioner of Labor Statistics at the Department of Labor (DOL) since 1979. Previously, she

was Acting Commissioner of Labor Statistics (DOL), 1978–1979; and Deputy Commissioner of Labor Statistics (DOL), 1973–1978.

Mrs. Norwood graduated from Douglass College, Rutgers University (B.A., 1945) and

Tufts University (M.A., 1946; Ph.D., 1949). She was born on December 11, 1923, in Newark, NJ. Mrs. Norwood is married, has two children, and currently resides in Bethesda, MD.

Nomination of Edward H. Fleischman To Be a Member of the Securities and Exchange Commission

April 23, 1987

The President today announced his intention to nominate Edward H. Fleischman to be a member of the Securities and Exchange Commission for the term expiring June 5, 1992. This is a reappointment.

Mr. Fleischman has been serving as a member of the Securities and Exchange Commission since 1985. Prior to this, he was a partner with Gaston, Snow, Beekman

& Bogue law firm in New York, NY, 1959–1985.

Mr. Fleischman graduated from Harvard College (B.A., 1953) and Columbia Law School (LL.B., 1959). He served in the U.S. Army, 1953–56. Mr. Fleischman was born June 25, 1932, in Cambridge, MA. He is married, has two children, and resides in Washington, DC.

Statement on Soviet-United States Intermediate-Range Nuclear Force Reduction Negotiations

April 23, 1987

Today marks the opening of the next session of negotiations between the United States and the Soviet Union on intermediate-range nuclear forces, one of the three elements of the nuclear and space talks in Geneva. The United States returns to these negotiations determined to build on the progress made during Secretary Shultz' meetings in Moscow last week. Although a number of central issues require resolution and much remains to be negotiated, prospects for an INF agreement have moved forward.

The basic structure of an INF agreement—the nature and level of LRINF missile reductions—was agreed upon by General Secretary Gorbachev and myself at Reykjavik and is reflected in the draft treaty text presented by U.S. negotiators last month. This calls for reductions to an interim global ceiling of 100 warheads each on U.S. and Soviet land-based longer range INF missiles, with none in Europe, along

with concurrent global constraints at equal levels on shorter range INF missiles and provisions for effective verification. The United States and our NATO Allies continue, however, to prefer a zero LRINF outcome—the elimination of this entire class of missiles.

One of the central issues remaining to be resolved is that of shorter range INF missile systems. We and our allies have long sought appropriate global constraints on SRINF in an initial INF agreement. The Soviets earlier agreed that they would include constraints on SRINF in an initial INF agreement, but they now appear to wish to deal with SRINF both within an INF agreement and in a separate negotiation. During Secretary Shultz' recent meetings in Moscow, the Soviets made explicit that their position in separate SRINF negotiations would be a zero outcome, and they suggested that this would be on a global basis. Much of the

Soviet position remains to be elaborated, however, and we hope this will be done during the coming round. Meanwhile, we are already consulting closely with our allies on this issue and are in touch with congressional leaders as well.

It is U.S. and allied determination to maintain our security, which I continue to view as indivisible, that has given us this opportunity to achieve an historic agreement which, for the first time, would actually reduce nuclear weapons. Ambassador Glitman and the members of the U.S. delegation have been doing a fine job in this endeavor, and they continue to have my strongest support.

Verification is another central issue that must be resolved. We cannot make progress

on this fundamental issue until the Soviets respond in detail to the comprehensive verification proposals which the United States has already made in Geneva. Verification would be facilitated if the Soviets were to accept a global zero outcome for LRINF. This is the preferred outcome of the United States and our allies, and we will continue to seek Soviet agreement to it.

As we return to these talks, we are hopeful but also realistic. We know that there are a number of issues whose resolution will demand considerable hard bargaining. But, working closely with our allies in Europe and Asia, we are ready to do our part and hope that the Soviets are returning to the table with similar resolve.

Message to the Congress on United States Military Combatant Commands

April 23, 1987

To the Congress of the United States:

In accordance with Section 161(b) of Title 10, United States Code, this is to inform you of changes to the unified and specified combatant structure which I have recently approved.

1) Establishment of the unified U.S. Special Operations Command (USSOC).

2) Establishment of the specified Forces Command (FORSCOM).

3) Establishment of the unified U.S. Transportation Command (USTRANSCOM).

4) Disestablishment of the specified Military Airlift Command (MAC), to be accom-

plished upon the certification of CINCTRANS to the Secretary of Defense and the Chairman, Joint Chiefs of Staff, that TRANSCOM is fully operational.

5) Disestablishment of the unified U.S. Readiness Command (USREDCOM) with transfer of designated functions to U.S. Central Command, U.S. European Command, U.S. Southern Command, U.S. Transportation Command, and Forces Command.

RONALD REAGAN

The White House,
April 23, 1987.

Proclamation 5638—Victims of Crime Week, 1987

April 24, 1987

By the President of the United States of America

A Proclamation

Nearly 35 million Americans became victims of crime in 1986. Six million of them

were victims of serious, violent crimes. Crime—of any kind—can have a devastating impact on innocent victims and their families. Besides the immediate physical and financial injuries, criminal deeds exact an emotional toll from their victims that

can deprive them of their health, their sense of security and control, and even their basic trust in others, the core of our social contract. Many victims desperately and futilely search for the reason a criminal chose them as prey. When they turn to the wider community for solace and support, they are often ignored, treated insensitively, or, worst of all, blamed for their plight.

Nothing is benign about such neglect of those whom our society has failed to shield from harm. Evaluating our criminal justice system's response to the needs of victims, the President's Task Force on Victims of Crime found that it frequently compounded the indignity they suffered. The system often failed to protect victims from defendants released on bail; it did not inform or consult victims before crucial decisions were made regarding their cases; it failed to hold violent criminals fully accountable for the damage done to innocent lives. While affording assistance to the accused, the criminal justice system offered only limited support to the victim striving to cope with the sudden, tremendous, and utterly unjust burdens imposed by a criminal attack.

Four years ago the Task Force produced a reform agenda designed to restore balance to the criminal justice system. Since then, action has been taken on nearly 80 percent of its proposals in every part of our country. Law enforcement officers, prosecutors, and judges are being educated on the needs of crime victims. The number of community programs providing direct services and assistance to victims is growing rapidly. More than 40 States have enacted new laws recommended by the Task Force to better protect the interests of crime vic-

tims. In an unprecedented expression of support, the Federal government has given the States the proceeds from fines and penalties levied against individuals convicted of Federal crimes. The States are using these proceeds to expand their assistance programs for victims.

This progress is truly encouraging, and the swelling tide of support for victims suggests that reforms on their behalf will continue to be made in the future. I commend the men and women inside and outside the justice system, in government and the private sector, and in communities throughout our Nation who are dedicated to the fair treatment of the innocent victims of crime. By their actions, they affirm our Nation's commitment to the goal of liberty and justice for all.

Now, Therefore, I, Ronald Reagan, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim the week beginning April 26 as Victims of Crime Week, 1987. I urge government officials and all citizens to continue to help the innocent victims of crime and to treat them with respect, compassion, and fairness, for the sake of justice and human dignity.

In Witness Whereof, I have hereunto set my hand this 24th day of April, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 3:19 p.m., April 24, 1987]

Informal Exchange With Reporters April 24, 1987

Iran-Contra Investigation

Q. Mr. President, what is it that Senator Inouye thinks is in your diaries that is going to be so embarrassing? He says the excerpts are going to embarrass you.

The President. I think he's wrong. The only thing I'm embarrassed about in those is my scrawly handwriting.

Q. There's nothing that indicates you knew more about the *contra* effort or that might be embarrassing?

The President. No, because I didn't and still don't. I'm still waiting to find out.

Inflation

Q. And since you're here to discuss the economic summit, what about the new inflation figures? Is that a cause of concern to you?

The President. Well, I'm kind of counting on those authorities that have been saying that this is a kind of temporary thing. It happens to be that it is not in main items. The increase in inflation has been in sort of, well, fringe items like toothpaste and Kleenex and things of that kind. So, I'm hopeful that it does not mean there's any change in our—

Q. There's also oil prices. Energy is a big factor.

The President. Well, that's been relatively stable. That's not a contributing factor this time.

Weekend Stay at Camp David

Q. Why are you going to Camp David tonight?

The President. What?

Q. Why are you going to Camp David so late?

The President. Because we haven't been there for a long time, and we won't be able to go there for another several weeks.

Q. It's not because of the demonstration tomorrow, is it?

The President. Oh, I'm going to miss them. [Laughter]

Terrorist Attack in Greece

Q. Sir, do you know anything about this tragedy in Greece? Do you know anything about the bus that was blown up in Greece with our servicemen?

The President. All I know is that we've just received this message that several of our military personnel were injured, and apparently it was a rocket attack on a bus that was taking them to a military airport.

Q. Do we know who did it?

The President. No, no one has claimed or taken the blame for it.

Note: The exchange began at 1:08 p.m. in the Oval Office at the White House, prior to a meeting on the upcoming Venice economic summit.

Statement on the Commemoration of the Bicentennial of the Morocco-United States Treaty of Peace and Friendship

April 24, 1987

During the American Revolution, Morocco was one of the first states to acknowledge the independence of our young Republic. Today I want especially to applaud activities being undertaken by Americans and our Moroccan friends to commemorate the bicentennial of the U.S.-Moroccan Treaty of Peace and Friendship. This agreement, known as the Treaty of Marrakesh, was negotiated in that city in 1786 and subsequently ratified by the U.S. Senate on July 18, 1787. This was the first United States treaty with any Arab, Moslem, or African State. It is the longest unbroken friendship treaty of the United States. In July the United States and the Kingdom of Morocco simultaneously will issue stamps to com-

memorate this special and historic relationship.

U.S.-Moroccan relations have prospered and grown over time, drawing on shared interests and mutual respect for each other's concerns. We share a commitment to fundamental values including religious tolerance. Our governments and peoples are deeply committed to world peace and the principles of democracy, liberty, and justice. The United States has long supported the moderate and constructive policies of my good friend King Hassan II. We look forward to continued close cooperation in the months and years ahead. I am especially pleased to report that the Moroccan-American Foundation has agreed to assist in com-

memorative events for this bicentennial. Through the events planned for the celebration of this bicentennial, my hope is that

more Americans will come to know and appreciate our close friendship with the Kingdom of Morocco.

Appointment of Steven A. Merksamer as a Member of the President's Export Council *April 24, 1987*

The President today announced his intention to appoint Steven A. Merksamer to be a member of the President's Export Council. He would succeed Mae Sue Talley.

Since 1982 Mr. Merksamer has been serving as chief of staff to Governor Deukmejian of California. Prior to this he was the policy director for the Governor's campaign, 1982.

Mr. Merksamer graduated from Claremont Men's College (B.A., 1969) and from the University of the Pacific (J.D., 1975). He served in the United States Army, 1969–1970, and the California Air National Guard, 1970–1975. Mr. Merksamer was born April 16, 1947, in Sacramento, CA. He is married, has two children, and resides in Carmichael, CA.

Nomination of Ralph J. Erickstad To Be a Member of the Board of Directors of the State Justice Institute *April 24, 1987*

The President today announced his intention to appoint Ralph J. Erickstad to be a member of the Board of Directors of the State Justice Institute for a term expiring September 17, 1989. This is a new position.

Since 1973 Mr. Erickstad has been the chief justice of the Supreme Court of North Dakota. Prior to this he served as an associ-

ate justice of the Supreme Court of North Dakota, 1962–1973.

Mr. Erickstad graduated from the University of Minnesota (B.S., 1947; LL.B., 1949). He served in the U.S. Air Force, 1943–1945. Mr. Erickstad was born August 15, 1922, in Starkweather, ND. He is married, has two children, and resides in Bismarck, ND.

Appointment of Three Members of the National Advisory Council on Indian Education *April 24, 1987*

The President today announced his intention to appoint the following individuals as members of the National Advisory Council on Indian Education for terms expiring September 29, 1989:

Andrea L. Barlow, of Idaho. She would succeed Robert B. Brewington. Since 1970 Mrs. Barlow has been involved in numerous civic activities,

including the Bannock County Republicans, Bannock County Republican Central Committee, Idaho Republican Party, and the Reagan-Bush '84 campaign. Mrs. Barlow attended Idaho State University in 1969. She was born December 17, 1950. Mrs. Barlow is married, has seven children, and resides in Pocatello, ID.

Robert K. Chiago, of Arizona. This is a reappoint-

ment. Since 1984 Mr. Chiago has been president of the Certified Indian Enterprises in Mesa, AZ. Previously he was the director of the Indian teacher/counselor education programs at the University of Utah. Mr. Chiago graduated from Arizona State University (B.A., 1965) and Northern Illinois University (M.S., 1970). He served in the U.S. Marine Corps in 1965. Mr. Chiago was born June 22, 1942, in Los Angeles, CA. He is married, has four children, and resides in Mesa, AZ.

James Albert Hunt, of North Carolina. He would succeed Grace Goodeagle. Since 1984 Reverend Hunt has been a pastor with the Elrod Baptist Church. Prior to this he served as the manager in the First Union Bank. Reverend Hunt attended Pembroke State University, 1966–1968, and Southeastern Community College, 1968–1969. He was born January 10, 1948, in Dillon County, NC. He is married, has two children, and resides in Rowland, NC.

Message to the Congress Transmitting the 1986 Annual Report on the Radiation Control for Safety and Health Act

April 24, 1987

To the Congress of the United States:

In accordance with Section 360D of the Public Health Service Act, I am submitting the report of the Department of Health and Human Services regarding the administration of the Radiation Control for Health and Safety Act during calendar year 1986. The cost to prepare this report was \$10,780.

The report recommends that Section 360D of the Public Health Service Act that requires the completion of this annual report be repealed. All the information

found in this report is available to the Congress on a more immediate basis through Congressional committee oversight and budget hearings and the FDA Annual Report. This annual report serves little useful purpose and diverts FDA resources from more productive activities.

RONALD REAGAN

The White House,
April 24, 1987.

Nomination of M. Danny Wall To Be a Member of the Federal Home Loan Bank Board, and Designation as Chairman

April 24, 1987

The President today announced his intention to nominate M. Danny Wall to be a member of the Federal Home Loan Bank Board for the term of 4 years expiring June 30, 1991. He would succeed Edwin J. Gray. Upon confirmation he will be designated Chairman.

Mr. Wall is currently staff director of the Senate Committee on Banking, Housing and Urban Affairs. Previously, he served as

minority staff director of the Senate Committee on Banking, Housing and Urban Affairs, 1979–1980; and director of legislation for Senator Jake Garn, 1975–1979.

Mr. Wall graduated from North Dakota State University (bachelor of architecture, 1963). He is married, has two children, and currently resides in Vienna, VA. Mr. Wall was born on August 30, 1939, in Watertown, SD.

Radio Address to the Nation on Free and Fair Trade *April 25, 1987*

My fellow Americans:

Prime Minister Nakasone of Japan will be visiting me here at the White House next week. It's an important visit, because while I expect to take up our relations with our good friend Japan, which overall remain excellent, recent disagreements between our two countries on the issue of trade will also be high on our agenda.

As perhaps you've heard, last week I placed new duties on some Japanese products in response to Japan's inability to enforce their trade agreement with us on electronic devices called semiconductors. Now, imposing such tariffs or trade barriers and restrictions of any kind are steps that I am loath to take. And in a moment I'll mention the sound economic reasons for this: that over the long run such trade barriers hurt every American worker and consumer. But the Japanese semiconductors were a special case. We had clear evidence that Japanese companies were engaging in unfair trade practices that violated an agreement between Japan and the United States. We expect our trading partners to live up to their agreements. As I've often said: Our commitment to free trade is also a commitment to fair trade.

But you know, in imposing these tariffs we were just trying to deal with a particular problem, not begin a trade war. So, next week I'll be giving Prime Minister Nakasone this same message: We want to continue to work cooperatively on trade problems and want very much to lift these trade restrictions as soon as evidence permits. We want to do this, because we feel both Japan and the United States have an obligation to promote the prosperity and economic development that only free trade can bring.

Now, that message of free trade is one I conveyed to Canada's leaders a few weeks ago, and it was warmly received there. Indeed, throughout the world there's a growing realization that the way to prosperity for all nations is rejecting protectionist legislation and promoting fair and free competition. Now, there are sound historical

reasons for this. For those of us who lived through the Great Depression, the memory of the suffering it caused is deep and searing. And today many economic analysts and historians argue that high tariff legislation passed back in that period called the Smoot-Hawley tariff greatly deepened the depression and prevented economic recovery.

You see, at first, when someone says, "Let's impose tariffs on foreign imports," it looks like they're doing the patriotic thing by protecting American products and jobs. And sometimes for a short while it works—but only for a short time. What eventually occurs is: First, homegrown industries start relying on government protection in the form of high tariffs. They stop competing and stop making the innovative management and technological changes they need to succeed in world markets. And then, while all this is going on, something even worse occurs. High tariffs inevitably lead to retaliation by foreign countries and the triggering of fierce trade wars. The result is more and more tariffs, higher and higher trade barriers, and less and less competition. So, soon, because of the prices made artificially high by tariffs that subsidize inefficiency and poor management, people stop buying. Then the worst happens: Markets shrink and collapse; businesses and industries shut down; and millions of people lose their jobs.

The memory of all this occurring back in the thirties made me determined when I came to Washington to spare the American people the protectionist legislation that destroys prosperity. Now, it hasn't always been easy. There are those in this Congress, just as there were back in the thirties, who want to go for the quick political advantage, who will risk America's prosperity for the sake of a short-term appeal to some special interest group, who forget that more than 5 million American jobs are directly tied to the foreign export business and additional millions are tied to imports. Well, I've never forgotten those jobs. And on trade issues, by and large, we've done well. In

certain select cases, like the Japanese semi-conductors, we've taken steps to stop unfair practices against American products, but we've still maintained our basic, long-term commitment to free trade and economic growth.

So, with my meeting with Prime Minister Nakasone and the Venice economic summit coming up, it's terribly important not to restrict a President's options in such trade dealings with foreign governments. Unfor-

tunately, some in the Congress are trying to do exactly that. I'll keep you informed on this dangerous legislation, because it's just another form of protectionism and I may need your help to stop it. Remember, America's jobs and growth are at stake.

Until next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from Camp David, MD.

Nomination of John R. Wall To Be a Member of the Occupational Safety and Health Review Commission

April 25, 1987

The President today announced his intention to nominate John R. Wall to be a member of the Occupational Safety and Health Review Commission for the term expiring April 27, 1993. This is a reappointment.

Mr. Wall is currently a member of the Occupational Safety and Health Review Commission. Between 1956 and 1982, he was with the Republic Steel Corp., serving as assistant general traffic manager, 1956-1958; general traffic manager, 1958-1967;

director of personnel, 1967-1970; elected vice president of personnel in 1970; and vice president, 1970-1982. Mr. Wall served as the director of the United States Chamber of Commerce between 1975 and 1980.

Mr. Wall graduated from Georgetown University (B.S., 1939) and Georgetown Law School (LL.D., 1942). He was born November 6, 1917, in Lynchburg, VA. Mr. Wall is married, has two children, and resides in Washington, DC.

Proclamation 5639—National Volunteer Week, 1987: Our Constitutional Heritage

April 26, 1987

By the President of the United States of America

A Proclamation

Two hundred years ago, when our Founding Fathers drafted the Constitution that has remained our charter of liberty, they began it with the immortal words, "We the People." These are but three words, yet they say everything about America and about Americans. We have God-given dignity and rights neither granted by the state nor subject to it; we take responsibility for living our lives in freedom; and we

come to the assistance of our neighbors in time of need.

The spirit of "We the People" is the American spirit, and we Americans will always honor it and live by it. Just one example of this is our heritage of voluntarism, which is flourishing today. "We the People"—89 million of us—volunteer our time, energy, talents, and material resources to create a better America. There is no problem facing us today that volunteers are not addressing. We can all be grateful to America's generous volunteers and glad that the tradition of voluntarism will contin-

ue to serve us in the future as it has in the past.

Now, Therefore, I, Ronald Reagan, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, in recognition of the indispensable contributions volunteers make to our national life, do hereby proclaim the week of April 26 through May 2, 1987, as National Volunteer Week: Our Constitutional Heritage, and I call upon the people of the United States to commemorate the week with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this 26th day of April, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:18 a.m., April 28, 1987]

Note: The proclamation was released by the Office of the Press Secretary on April 27.

Remarks at the 75th Annual Meeting of the United States Chamber of Commerce

April 27, 1987

Thank you very much, and thank you, Ed Donley. It's a pleasure to be here today. It's particularly a pleasure on this, the chamber's 75th anniversary. Isn't there anything around here that's older than I am? *[Laughter]*

The chamber was formed in 1912 at the suggestion of another President, William Howard Taft. Now, I like Taft, and not just because of his role in starting the chamber. Taft was the only President to serve on the Supreme Court; he was Chief Justice. He said that the Court was the peak of his career. After he'd been on the Bench awhile, he wrote: "I don't remember that I was ever President." *[Laughter]* You know, there's something there I can identify with. *[Laughter]*

In the 75 years since Taft addressed that first meeting, the chamber has worked to build a growing America filled with opportunity for all. In the last few years, as our administration has worked for that goal, you have been among our most effective supporters. You've been at our side as we pulled the American economy out of a stagnant swamp and gunned its engine to climb to the mountaintops.

Under the leadership of Dick Leshner, you've stood shoulder to shoulder with us as we fought the big spenders and special in-

terests. Together we beat back tax rates and then beat them back again with tax reform. And we wrestled down excessive regulation, as well. We've eliminated 30,000 pages of regulations. We won these battles, but the real winners are the American people. Inflation and interest rates fell from record highs: interest to the lowest rate in a decade, inflation to the lowest in almost three decades. In the past decade, America has created more jobs than Europe and Japan combined. The American spirit of enterprise has soared as new businesses have created new jobs by the millions. And this year a larger percentage of Americans has been at work than ever before in our history.

Six years ago our opponents predicted that our policies would bring on disaster. You'd think the actual results would have left them speechless—and they did, sort of. As I've said so many times before, I knew our policies were working when they stopped calling them Reaganomics. *[Laughter]* But with the big spenders, speechlessness never lasts long. Now they have new charges and battle cries. They say the middle class is disappearing—and not just the middle class, American manufacturing, as well. Well, we aren't as productive as the rest of the world, they say. We're

slipping behind the rest of the world. America is deindustrializing.

Well, you've got to give them credit for trying, but it just so happens they're as off the mark this time as they were before. Declining middle class? The truth is just the opposite. More than 60 percent of the 13 million new jobs created during our recovery are in the high-paying managerial, professional, and technical occupations. Deindustrialization? Since 1982 manufacturing productivity has shot ahead at the fastest pace in 20 years. Manufacturing output has soared almost 30 percent, and in the last 4 years, we have added more manufacturing jobs than either Europe or Japan.

You know, when I look at all the bets our opponents have placed against us and the American economy in the last 6 years, I think about a fellow that was going to the races. And for 3 nights before he went, he dreamed about the number five. So, you know when he got to the track, he got a hold of that program, and he turned right to the fifth race. And he looked down to the number five horse in that race and found out his name was Five-by-Five. So, he bet the bundle on him, and the horse came in fifth. *[Laughter]*

As one commentator has said, talk about the decline of the middle class and related charges is "an exercise in statistical myth-making designed to advance . . . a political agenda . . .," an agenda summed up in just one word: protectionism. Our critics say that a cause of all of these supposed ills is the trade deficit. The cause of that, they say, is unfair trading practices. Their solution is to build great dams across the international flow of commerce. Well, I say damming the flow of international commerce is the surest way to make our own economy stagnant. As America prepares for the 21st century, nothing is surer than that our future depends on growing world trade. For more than a century, growing trade has meant more American jobs; shrinking trade has meant fewer jobs. Today an estimated 10 million U.S. jobs are tied to imports, exports, or both. Yes, we have a trade deficit that's too big, and part of the reason is unfair trading practices. But, no, the way to solve that is not to lash out at our trading partners. And last week I think we showed

the right way.

We had an agreement with the Japanese Government that concerned semiconductors. The objectives of that agreement were not being met. I didn't want to impose punitive tariffs on Japanese goods. I don't believe in tariffs or trade barriers or restrictions of any kind. I hope that before long we can lift these and that this episode will be recorded as a small incident in the building of our relationship. But we'll do what is necessary to see that other nations live up to their obligations and trading agreements with us. Trade must be free; it must also be fair.

You will know a tree by its fruit. And the fruit from this tree will not be just in the semiconductor trade but in the entire relationship between our two countries. At the end of World War II, Japan and America began a major construction project: to build a bridge across the Pacific uniting our nations. Well, that bridge is supported by the pillars of a common dedication to freedom and democracy, broad economic relations, and a sharing of defense burdens. Now that bridge is almost completed. The United States and Japan have become true partners in the security of the western Pacific, which is one of the pillars of our national security. Japan spends more on defense than all but seven nations of the world and more than all but two nonnuclear nations. This partnership is not only vital to our national security, it's also what gives the political impetus to resolving our economic problems. That's the spirit in which I will engage in these issues with Prime Minister Nakasone this week.

In economic relations, we are Japan's largest trading partner, and they are our second largest. And trade figures tell only part of the story. A number of American companies dominate the Japanese markets in their products, but they do it from plants in Japan. Well, now Japan is catching up with us, moving its plants to the United States, closer to its American markets. And soon Japan will be exporting its American-built cars to Taiwan, and there's even talk of exporting to Japan itself. Yes, our economies are becoming as closely tied as New York's is to California's and Michigan's to

Florida's. And that has meant jobs and a better standard of living on both sides of the Pacific. But we haven't finished work on that bridge I mentioned. In areas like semiconductors, supercomputers, auto parts, telecommunications, construction projects, and agricultural products, these problems remain. Japan's financial markets aren't yet as open as ours is to outsiders. And the biggest losers in all this are Japan's consumers, who pay, for example, 10 times the world price for their daily rice.

Our semiconductor decision sends one message: It's time to get down to finishing work on the trade bridge that unites our countries. And the final answer to the trade problems between America and Japan is not more hemming and hawing, not more trade sanctions, not more voluntary restraint agreements—though these may be needed as steps along the way—and certainly not more unfulfilled agreements. The answer is genuinely fair and open markets on both sides of the Pacific, and the sooner, the better.

Free, fair, and growing trade—this is also our message to the world. It's why we've responded with enthusiasm to Prime Minister Mulroney's call for a U.S.-Canadian free trade agreement. It's why we sought and now have a new round of international trade negotiations. It's also why we're the first administration ever to initiate unfair trade practice cases, not just waiting for industries to come forward with complaints, which was the past practice. We've used the full range of tools available under the law to work for more open markets. I've found they're good tools that fit many different situations, both those that require firmness and those that need finesse. That's why some trade legislation now before Congress is dangerous.

Legislation before the House of Representatives would make us use a steamroller against unfair practices every time, no matter whether the steamroller would open the trade doors or flatten the entire house. A particularly bad proposal would require retaliation against trading partners who have large trade surpluses with the United States. Well, it's better policy to allow for Presidents—me or my successors—to have options for dealing with trade problems. It's

more effective, and we won't risk sending our economic relationship with a friendly country crashing into the sea because Congress put our policy on automatic pilot.

But this is a simple fact: Eliminating trade barriers won't put an end to our trade deficit. For example, if every unfair trading practice in Japan were ended tomorrow, we would cut our trade deficit by only about 10 percent. If our trade deficit is to come down, more must be done, and it is being done. The change in the dollar's value is part of it, and since the middle of last year, the actual volume of our exports has been on the rise. The broad economic policies of our trading partners is another part. We believe our partners should cut taxes and regulations, as we have, so they can create jobs and buy more, as we have.

Recently the major industrial countries agreed in meetings in Paris and Washington to measures to improve world economic growth and reduce trade imbalances. We also agreed to cooperate to foster stability of exchange rates. In my meeting last week with Prime Minister Nakasone's envoy, Mr. Abe, I was pleased to note that Japan was beginning to take steps to implement the undertakings made in Paris and Washington. But the biggest responsibility for bringing down the trade deficit is here at home. It's like the story—that fellow out on the golf course found that his drive had ended up right in front of an ant nest. Well, he got out an iron, and he took a swing. He didn't hit the ball; he hit the anthill. Thousands of ants were thrown into the air. He took two more swipes at it and each time missed the ball and hit the anthill. And a couple of remaining ants—one looked at the other one and said, "If we want to survive, we'd better get on the ball." [Laughter]

In the last few months I've talked about the importance of education, training, and better commercial use of our science if we're to get on the ball, become more competitive, and prepare America for the 21st century. But the most important way to get on the ball is to finish the work that we were sent here to do 6 years ago. And first on the list of unfinished business is to get control of Federal spending. Eighty percent of America's businesses report taxes on the

personal tax form. The businesses of most chamber members do, too, and most new jobs and technology come from those kinds of entrepreneurial businesses. Now, some in Congress want to reverse the course of the last few years and raise taxes on that job-and-technology-creating spirit of enterprise. Well, Congress should cut the Federal budget and leave the family budget alone.

Ever since the middle of the seventies, when Congress shoved the President out of the way and took over the budget process almost entirely, deficits have been soaring. I just can't help thinking that a lot of people up on the Hill are talking about the trade imbalance, because they don't want to talk about the spending imbalance—I mean deficit spending. Even as they cried about the trade deficit in the last few weeks, Congress passed two outrageous spending bills over my veto. The chamber worked hard to help us stop those bills. One project in one bill alone will eat up 14 percent of all the Nation's new transit money. When that project is completed, its construction cost may equal \$6 for each passenger's trip. We could actually save money by putting them all in taxicabs.

Congress has a budget process that's out of control—missed deadlines, Gramm-Rudman-Hollings targets that get ignored. Now they want a budget summit with the White House. Well, we've sent them a budget, and if Congress doesn't like it, they should first produce one of their own as a basis for talking. But even then, under today's rules, if we sit down to talk, no agreement they make would be binding on them. Congress needs to change the way it does business on the budget. They need ways of ensuring that they will stick to budget decisions once they're made—no backdoor spending, no missed targets, no swearing off the bottle of spending only to take a nip the next morning. Lock away the bottle, and then we can talk.

Maybe with the budget summit they hope I'll bail them out. Well, if they want me to save them, there's one easy way to do it: Give me what 43 Governors have, a line-item veto, so—[applause]—you, I can see, understand. Then I could cut wasteful projects. We'll have that deficit coming down in no time. If some President abuses

the use of that veto, the Congress has the power to override his veto. The truth is, they don't want to have to vote on some of those pure pork items when they're out standing alone in the open and not buried and hidden in a budget bill. I know, because as a Governor I vetoed some 900 of those in 8 years. And in California it takes a two-thirds vote of the legislature to pass the budget in the first place and send it back to me, and then it only takes a two-thirds vote to override my line-item vetoes. And not one of the more than 900 in 8 years was ever overridden. The same that voted two-thirds to put it in the budget wouldn't vote two-thirds to eliminate it all by itself.

In just over a month, I'll be going to my seventh economic summit, this one in Venice, an ancient city that at one time was the trading capital of the world. Four decades ago the United States joined with other nations and dedicated itself to building a more open world economy, and that dedication has brought us and the other major industrial nations the greatest prosperity in human history and the longest period of worldwide peace in this century.

Now it's time to look forward and ask what will the next 40 years bring? Can we finish building the bridges of international commerce so that 40 years from now there will be no barriers dividing trade among our nations? Can we find a way to end once and for all the wild swings in exchange rates that have kept all who sail the oceans of international trade a little seasick over the last decade? Can we, the world's great industrial democracies, remain united against the enemies of freedom? I believe the answer is yes. We can do all of this. We can take the next step to building a world of opportunity and peace for all mankind. Let's join together in working to make that world a reality.

Thank you. God bless you all.

Note: The President spoke at 10:38 a.m. at the DAR Constitution Hall. He was introduced by Edward Donley, the 1986-1987 chairman of the U.S. Chamber of Commerce. Richard L. Leshner was president of the organization.

Message to the Congress Transmitting the Fiscal Year 1988 District of Columbia Budget

April 27, 1987

To the Congress of the United States:

In accordance with the District of Columbia Self-Government and Governmental Reorganization Act, I am transmitting the 1988 Budget of the District of Columbia Government.

There are two issues that affect both the 1988 Budget submitted to the Congress on January 5, 1987, and the 1988 Budget of the District of Columbia Government that I would like to bring to your attention. First, I want to reaffirm my concern that none of the funds appropriated for the District of Columbia should be used for abortion unless the life of the mother would be endangered if the fetus were carried to term. Accordingly, I will support an amendment that goes beyond Section 116 in the accompanying District of Columbia Budget request and restricts the use of both the District's Federal and locally generated funds for abortion.

Secondly, I request your support for the initiative in the 1988 Budget that requires

the District Government to directly bill the Federal establishments for the water and sewer services provided. In response to the fact that the District has had the technical capacity to bill individual Federal establishments since 1985, the 1988 Budget provides for the Federal establishments to make their water and sewer payments directly to the District Government. Thus, the 1988 Budget does not include an amount in the Federal Payment to District of Columbia for water and sewer services provided. The Budget provides for Federal establishments to make these payments directly. Although I understand the Comptroller General's office has expressed doubt about this proposal, I believe that existing law permits this change in billing practice, which will produce efficiency and accountability for the services provided. I urge the Congress to enact this needed reform.

RONALD REAGAN

The White House,
April 27, 1987.

Appointment of Three Members of the Presidential Board of Advisors on Private Sector Initiatives

April 27, 1987

The President today announced his intention to appoint the following individuals to be members of the Presidential Board of Advisors on Private Sector Initiatives:

Don V. Cogman, of Maryland. He would succeed Bernard Cardinal Law. Since 1980 Mr. Cogman has been vice president of government affairs for MAPCO, Inc. From 1976 to 1980, he served as president of Cogman & Associates. Mr. Cogman graduated from the University of Oklahoma (B.A., 1969). He served in the U.S. Army National Guard in 1969. Mr. Cogman was born August 11, 1947, in Ponca City, OK. He is married, has three children,

and resides in Potomac, MD.

Elaine D. Crispen, of Virginia. She would succeed Malcolm A. MacKillop. Since September 1985, Miss Crispen has served as Press Secretary for the First Lady at the White House. Prior to this she was Special Assistant to the First Lady, 1981-1985, and served on the Reagan campaign, 1979-1981. Miss Crispen attended the University of California at Los Angeles, and Wayne State University. She was born October 12, 1939, in Detroit, MI. Miss Crispen has a daughter and resides in Alexandria, VA.

Jean Lawson Stone, of New York. Mrs. Stone is currently a volunteer activist and community leader in Scarsdale, NY. Previously she was the

mayor of Scarsdale, 1981–1983. Mrs. Stone was born February 23, 1924, in Del Rio, TX. She is

married, has four children, and resides in Scarsdale, NY.

Proclamation 5640—National Cancer Institute Month, 1987 *April 28, 1987*

*By the President of the United States
of America*

A Proclamation

This year we celebrate the 50th anniversary of the Act that created the National Cancer Institute. For half a century the NCI staff has worked with talent, dedication, and creativity and made much progress in cancer control programs. Our national investment in the NCI is paying impressive dividends. Cancer patients are living longer today and leading fuller lives than ever before; since the early 1940s, the 5-year relative survival rate for cancer has risen from 30 percent to 50 percent.

In its first decade, the NCI began to assist State cancer control activities and launched a journal for the scientific community. In its second decade, the NCI expanded grants for research and cancer control and supported better training of doctors and dentists in cancer research, diagnosis, and treatment. In the 1960s, the NCI developed task forces for specific types of cancer, established discipline-oriented laboratories and clinics, and integrated laboratory and clinical research programs.

The National Cancer Act of 1971, capitalizing on early achievements and intensifying our Nation's commitment to cancer control, expanded the NCI's missions and made it a unique structure capable of coherent and systematic attack on the complex problem of cancer. The NCI, part of the National Institutes of Health within the Department of Health and Human Services, today conducts and sponsors research, education, and training and collects and disseminates information worldwide.

The NCI's basic research over the last 15 years has brought about unparalleled understanding of the cancer cell and extraordinary insights into cellular biology. Applying knowledge now at hand could cut the annual cancer death rate by 50 percent by

the year 2000. To reach this goal, the NCI urges us to stop smoking, cut fat consumption to 30 percent or less of total calories, and double daily consumption of fiber from whole-grain breads, cereals, fruits, and vegetables. All adults should also ask their doctors about special early cancer detection tests. Two such tests are mammography for breast cancer and Pap smears for cervical cancer.

The NCI also calls for nationwide application of state-of-the-art treatments for cancer. A national network now links major laboratories and cancer centers with doctors in local communities, bringing research advances to the bedside. NCI programs provide the latest treatment news through the computerized PDQ (Physician Data Query) System. The Cancer Information Service, whose toll-free telephone number is 1-800-4-CANCER, answers cancer-related questions from the public, cancer patients and their families, and health professionals.

In recognition of the 50th anniversary of the National Cancer Institute and in appreciation of the Institute's achievements, the Congress, by Public Law 100-24, has designated May 1987 as "National Cancer Institute Month" and authorized and requested the President to issue a proclamation in observance of this month.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the month of May 1987 as National Cancer Institute Month. I urge health professionals, the media, civic organizations, and all other interested people and groups to unite during this time in public recognition of the contributions of the National Cancer Institute to our commitment to control cancer.

In Witness Whereof, I have hereunto set my hand this twenty-eighth day of April, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of

the United States of America the two hundred and eleventh.

[Filed with the Office of the Federal Register, 11:19 a.m., April 28, 1987]

RONALD REAGAN

Proclamation 5641—Mother's Day, 1987 April 28, 1987

*By the President of the United States
of America*

A Proclamation

For more than 70 years, we Americans have set aside the second Sunday in May to honor our mothers and tell them of our love. No matter how often we express these tributes of the heart throughout the year, we choose to do so in a special way on Mother's Day.

That is because we know and can never forget all that our mothers have given us every day, year by year, in love and courage, in toil and sacrifice, in prayer and example, in faith and forgiveness. There is no love like a mother's—she who carries the child that God knits in the womb, she who nourishes and guides, she who teaches and inspires, she who gives of her heart and soul and self for the good and the happiness of her children and her family.

As mothers help give their families a stability rooted in love, steadfastness, devotion, and morality, they strengthen our communities and our Nation at the same time. Mother's Day is a wonderful time for each of us to give thanks for America's mothers and for all they mean and have meant to our country and our history. It is also a time to thank our own mothers; and whether we may do this in person still, or by loving

memory, let us do it with all the love and thanks and prayer we possess.

In recognition of the contributions of mothers to their families and to our Nation, the Congress, by a joint resolution approved May 8, 1914 (38 Stat. 770), has designated the second Sunday in May each year as Mother's Day and requested the President to call for its appropriate observance.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby request that Sunday, May 10, 1987, be observed as Mother's Day. I urge all Americans to express their love and respect for their mothers and to reflect on the importance of motherhood to the well-being of our country. I direct government officials to display the flag of the United States on all Federal government buildings, and I urge all citizens to display the flag at their homes and other suitable places on that day.

In Witness Whereof, I have hereunto set my hand this twenty-eighth day of April, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:44 a.m., April 29, 1987]

Proclamation 5642—Father's Day, 1987

April 28, 1987

*By the President of the United States
of America*

A Proclamation

By tradition, Americans celebrate the third Sunday in June as Father's Day in honor of the immense and indispensable contributions fathers make to our lives and to our Nation. They deserve our thanks and recognition every day of the year and especially on Father's Day.

Fatherhood is all about the things that matter most—about love and new life, about trust and responsibility, about faithfulness to a family and to a calling. Fathers must be many things, but most of all they must be selfless. Fathers seek to give their children a share of the world's goods and an even greater share of its goodness; they must have the skill and strength to see to the immediate needs of their families and the wisdom to see to their children's life-long need for character and conviction. They anxiously strive to impart to their sons and daughters a sense of their heritage and a notion of their obligations to one another and to the future.

Fathers take on these tasks out of love, and for their wages they want most the love and honor of their children and the respect of their community. With these, they can find peace and joy in the midst of the daily hardships and frustrations they face as par-

ents and providers. What fathers do for their families, they do for our country as well, because the strong and loving families they help create are the soul of a nation. For all that fathers do, we show our heartfelt thanks and offer our love and prayers on the day every father can call his own.

Now, Therefore, I, Ronald Reagan, President of the United States of America, in accordance with a joint resolution of the Congress approved April 24, 1972 (36 U.S.C. 142a), do hereby proclaim Sunday, June 21, 1987, as Father's Day. I invite the States and communities and people of the United States to observe that day with appropriate ceremonies as a mark of appreciation and abiding affection for their fathers. I direct government officials to display the flag of the United States on all Federal government buildings, and I urge all Americans to display the flag at their homes and other suitable places on that day.

In Witness Whereof, I have hereunto set my hand this twenty-eighth day of April, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:45 a.m., April 29, 1987]

Executive Order 12594—President's Volunteer Action Award

April 28, 1987

By the authority vested in me as President by the Constitution and laws of the United States of America, it is hereby ordered as follows:

Section 1. The President's Volunteer Action Award is hereby established for the purposes of recognizing outstanding voluntary contributions by individuals and organizations toward helping others in our soci-

ety, and of demonstrating to all Americans what can be accomplished through voluntary action. The award shall consist of a sterling silver medallion, the design of which accompanies and is hereby made a part of this Order.

Sec. 2. The award may be presented by the President to recipients in ten categories: arts and humanities, education, the en-

vironment, health, human services, international volunteering, mobilization of volunteers, public safety, youth, and the workplace. The National Voluntary Service Advisory Council, in cooperation with the White House Office of Private Sector Initiatives, shall recommend recipients of the award to the President. The President may select for the award any person recommended to the President or any person selected by the President upon his own initiative.

RONALD REAGAN

The White House,
April 28, 1987.

[Filed with the Office of the Federal Register, 10:46 a.m., April 29, 1987]

Note: The Executive order and the design of the medallion were printed in the "Federal Register" of April 30.

Interview with White House Newspaper Correspondents April 28, 1987

Arms Control

Q. Mr. President, I'd like to ask you the first question on arms control, and it has two parts to it. To what extent do you think Secretary Shultz' opinion that we ought to take the Russians at face value when they say they're talking seriously about arms control, because they want a less threatening and less nuclear world—he said that when he came down to talk with us at Santa Barbara—after you. That's the first part.

The President. Well, I think that since they—and literally for the first time in history—have actually volunteered a willingness to reduce weapons—if you look back in history, this has never been true of them before—I think, yes, that you say—but that doesn't mean—I know exactly how George feels about this other—that doesn't mean that you don't insist on verification and the safeguards that we must have in such an agreement or treaty. I think that he was simply saying that as long as they've said that, yes, we're going to negotiate with them. But it doesn't mean that you're going to roll over and just give in to something without protecting yourself.

Q. So, you're going to take them at their word that they want a less threatening nuclear world. The other half of it is how can you retain General Rowny as a negotiator when he's basically broken away from your own declared position on INF and says that we're focusing on the wrong thing publicly?

The President. Well, I think the only thing I know is that the general perhaps thought that some of us were too optimistic in this. And basically most of us have tried to keep from expressing an optimism other than, well, expressing a hopefulness, rather than optimism. But, no, you have to recognize that I expect diverse opinions in the shop and among the people and the Cabinet and everything else. And I've always been that way. I want and encourage those other opinions, because I have to make the decisions, and I make them on the basis of everything that I hear from those who counsel me.

Q. Even after you've made the final decision?

The President. Well, I always know that there are some people who don't give in; but I also do know that once I've made the final decision, no matter how they may have felt about it, right or wrong, that they'll carry it out.

Q. Mr. President, General Rowny essentially endorsed the Nixon-Kissinger position, and former President Nixon says you could end up creating what he called the most profound crisis in NATO history unless you demand that all INF weapons be eliminated worldwide and you link U.S. withdrawals to fixing the conventional arms imbalance. You haven't insisted on either of these points, so how do you respond to President Nixon?

The President. Well, it isn't exactly true about what we've done and how we feel with regard to those points. I have always believed, and have stated many times in our meetings, that if and when we succeed in reducing what I think are the most destabilizing weapons, the nuclear weapons—and my ultimate goal has always been elimination—but that then must recognize that you cannot proceed with that to the point that their conventional superiority is increased and leaves an imbalance. That would have to be taken into account, and that is true with what we're talking about presently. We recognize that we must keep in mind the conventional balance, and as a matter of fact, ever since I've been here, we have been, as you know, in negotiations with the Soviet Union on that matter of conventional weapons. So, it's wrong to assume that we're not aware of that and that we're not dealing with it.

Now, you had something else there that you said—another point that was made.

Q. Well, whether or not you can go ahead and allow the Soviets to retain 100 SS-20 warheads in Asia when it might be very hard to verify them and so on?

The President. Well, no, verification is going to have to be solid on that or any other part of this agreement. As a matter of fact, I don't speak Russian, but I did speak Russian to Mr. Gorbachev in one of our meetings. I had learned a little Russian proverb: *Dovorey no provorey*. It means trust, but verify. And, yes, that must be a definite part of this. So, yes, we would like to have it be global, and we'll seek that in negotiations. But I'm not going to say what value I place on the other except that if it comes down to a small number maintained in another part of the world, so long as we will be in a position to have a deterrent capacity, which we would in this case—but as I say, no, we're going to seek a global balance. We'd prefer that.

Moral Values

Q. Mr. President, in Los Angeles recently you expressed concern that "something should be done about value-free education." You said the country has stopped teaching on the basis of moral principles. We now see in the newspapers and the press day to

day a society which has produced Ivan Boesky, investment bankers being traipsed down Wall Street in handcuffs because of drug charges, television evangelists swapping charges on adultery and homosexuality, and even prominent individuals within your administration having been charged with wrongdoing and considering using drug impairment as a potential defense. In looking at some of these things, all together, what is your view about the condition of the society's values; and as you consider the legacy you'll leave, what do you hope will be the imprint that you have on these values and getting back to the basics?

The President. Well, I hope that the imprint would be left on one of high morality. And I fear, as many people do, that there's a kind of cynicism abroad, particularly among our young people. But there again, there have always been wrongdoing in the world; that's why we have laws and policemen and so forth. But if we have a system of education in which—in a retreat from in loco parentis, which teachers did resist long ago—the idea in loco parentis means that when the child leaves home and comes into the school, then the school becomes, for that period of time they have them, the parent and must decide on right and wrong and so forth.

Teachers were always—or, there was always a kind of a movement among teachers, let me say, that they kind of resented that, figured that was a responsibility that shouldn't be theirs. But in recent years, we have had a wave of what is called value-free education, that a teacher must not impose their judgment of right or wrong. Just recently there was a case involving a counselor that came to our attention. And the story had it that the counselor asked the students before him if they found a wallet with a thousand dollars in it and an address and name of the owner, what should they do with it? And when the consensus turned out that it would be stupid to give it back, the counselor was asked, "Well, then what did you say to them?" "Oh," he said, "I wouldn't impose my opinion on them." Well, what's the purpose of a counselor if it isn't to impose an opinion on them as to right and wrong?

I think that we've carried this so far—I remember one of my own children coming home one day, and a discussion came up about something, and I suggested the moral principle of right and wrong. And a warning bell should have rung then when that child said back to me, "Ah, yes, but whose moral standard?" Well, right is right and wrong is wrong. And there may be differing opinions about right and wrong, but to teach what we're teaching in schools today without any attention to morality or the right and wrong of things—this is absolutely wrong. And with things such as you've pointed out going on in the world, then how are the children going to judge? They're just going to accept, well, it's all right if you get away with it.

AIDS and Sex Education

Q. Well, to follow on that point, your Domestic Policy Council next week will be coming to you with some proposals on AIDS. You, when you've commented on AIDS, have talked about how you should teach the children abstinence. When you go back to what you were saying about you must teach right and wrong, where do you think that this should come into the schools with such tough issues as AIDS?

The President. Well, I'm sure that when you—AIDS is probably going to somewhat tie in with the prevalence of sex education in the schools today. And I have been very disturbed that under this same theory of no values being taught, value-free education, that how do you start talking about sex to children and to young people without the moral side of that question being brought up? Just treat it like a physical thing, such as eating a ham sandwich? And too much of this is going on. So, when it was proposed that such things as preventives and so forth should be recommended to the children, I said that along with that should go the moral teaching of what has always been a part of morality, and that is abstinence. There is one of the Ten Commandments that deals with that particular problem. And at the same time, recognizing that there are those who are not going to abstain, all right, then you can touch on the other things that are being done. But I would think that sex education should begin with the moral

ramifications, that it is not just a physical activity that doesn't have any moral connotation.

Q. Should churches issue condoms, Mr. President?

The President. I was shocked when I read that that was happening. Yes, I've since heard some things about that particular instance. As I understand, it was one clergyman in one church and that there have been evidences of other expressions or procedures there that are not quite in keeping with most other religions.

Iran Arms-Contra Aid Controversy

Q. Mr. President, as you know, next week Congress opens hearings on the Iran-*contra* matter. Are you worried that when your former national security adviser, John Poindexter, testifies that he won't some way implicate you in the knowledge of diversion of funds to the *contras*?

The President. No, John Poindexter's an honorable man. And since I was not informed—as a matter of fact, since I did not know that there were any excess funds until we ourselves in that checkup after the whole thing blew up, and that was, if you'll remember, that was the incident in which the Attorney General came to me and told me that he had seen a memo that indicated that there were more funds. We had gotten our \$12 million dollars back for the weapons that we had provided. I have no way of knowing why or how. I can speculate as to how there was additional money, but we had no indication of it until that time. And that was at 4:30 on a Monday afternoon. And first thing Tuesday morning, he and I met with the joint leadership of the House and Senate, told them what we had learned, that there evidently was something of this kind, and then went before you in the press room and told all of you. And that, as far as I know, factually, that is all I know. I am still waiting to find out exactly how did there turn out to be more money and where did that money go.

Q. Have you thought about how it was possible that a close adviser who you saw daily, a career military man, failed to notify you of something so important in advance?

The President. Well, this is what we're

waiting to find out in both instances. Apparently, he told more to Admiral Poindexter, who was my national security adviser.

Q. Do you mean Colonel North?

The President. Yes. And I assumed that's because those were the only two military—

Q. Well, I mean, how is it possible that Poindexter, who you describe as an honorable man—

The President. Well, that I don't know.

Q. —and who saw you daily and is a military man—

The President. Maybe he thought he was being, in some way, protective of me. I don't know. But that's what we're continuing to investigate to find out.

Q. Protective of what?

The President. What?

Q. Protective of what?

The President. Well—

Q. Possible wrongdoing?

The President. Well, I don't know. Apparently—and on such things as the Tower commission has come up with and others so far—apparently, there were some go-betweens on the Iranian side who, meeting the problem of did we deliver weapons before we got the money or did we get the money and then deliver the weapons and so forth, arranged some bridge loans so that a postdated check and so forth could be given and that money could be handled in that way, the transfer. Now, as I said before, the only thing I knew was the weapons were delivered and we received \$12 million by way of what's called a sterile bank account, which I understand is the way of transferring money across the ocean. And the only thing that, apparently—from what has been learned so far in these investigations—that, evidently, those with this bridge loan, evidently, put a retail price instead of our wholesale price for the weapons. And thus there was more money paid than we had asked for.

Now, that's where my knowledge ends. Who got that, who handled it, what did they do with it, and who was involved in that extra money?

Q. Mr. President, in your early years as President, you were credited with restoring faith in government and in the power of the Presidency. But since the Iran affair,

polls have reported that people are deeply concerned about who is in charge of the country and where the Nation is headed. Now, this lack of trust in government is widespread according to the polls, and I'm wondering what you can do now to reverse that and restore confidence.

The President. Well, I don't think the mistrust is justified. I do think that the manner in which the whole thing when it—it was a covert operation to begin with. And when the information was leaked through that rag in Beirut and then picked up worldwide—if you will remember, my first reaction was, "Please, don't. You can get some people killed."—meaning the people that we were dealing with on the Iranian side and possibly our hostages. And [former hostage] Mr. Jacobsen when he came home, if you'll recall, made the same plea publicly, and for the same reason. But I know that this has been created on the basis that the people have been led to believe I'm covering up, that I do know all about the money and I'm somehow covering.

I was interested in one poll that went a step further. It asked another question of the people. And that was did they think it was all right for me to be covering up. And that poll was taken just of the people that believed I was covering up. And about two-thirds or more of those people said, yes, there are times when a President has to keep his mouth shut and not tell people certain things.

But, no, as I say, I didn't have any more knowledge than that. And I do hope that we can restore to them their faith in government, because we have not betrayed the people of this country in any way nor would I, nor would I permit it.

Q. But is it possible that Admiral Poindexter and Colonel North got the idea that you approved of their actions and that they were acting with your authority? Is that possible?

The President. I wouldn't see how, no. No, the things that—now, there again, we don't know their involvement with that money thing, as I said that it was done—that some of the go-betweens put up a bridge loan to enable the transaction to go through with. We don't know the extent of

their knowledge of that and why there was extra money or whether they even participated in that in any way or agreed to it.

The other thing that the Tower commission report revealed to me was that contrary to what our purpose had been, you know, in other words, to establish that contact and see if we could not get a basis for a better relationship between our two countries, that we, in return for their asking, as a measure of good faith on our part for this—really it wasn't much more than a token sale of weapons—that we turned around and said, "Because of the support by Iran of terrorism, we can't do business." They protested that they were opposed to terrorism themselves and would never have—remember, we were talking not to Khomeini, as so many of our colleagues have indicated, we were talking to people that had sought a meeting with us on the basis that they were thinking of the government that was going to succeed the Khomeini. And this is why it had to be covert, because they were kind of sticking their necks out. And we went along with this, and then we put as a condition that said: "Well, you can prove this antiterrorism procedure or provision on your part if you can seek to impress on the [radical Shi'ite terrorist group] Hizballah, who sort of have a relationship with Iran, to start turning—give us our hostages back." And the other thing that did develop, then, was that somehow the whole thing just began to deteriorate into a hostage sale thing. And suddenly they were demanding more arms and more deals as to what would be necessary for the hostages and so forth.

Well, I wasn't aware of that. We had made an arrangement based on the two things: Yes, all right, we'd break our practice and provide those arms. They in turn would do their best, and they did deliver some hostages to us. And so, the whole distortion of the picture, that we were dealing with the Khomeini, and that in spite of all that he had done to us, and we weren't. We thought we were going around behind his back with some of his people. And therefore, I don't think there was anything wrong to have accepted the proposal by people from Iran who wanted, apparently, to talk a better relationship with us in the government yet to come. And as I have

often said, I didn't think it was trading arms for hostages when the hostages—or the kidnapers weren't getting anything. We were doing business with these people in Iran.

And as I say, there is more yet to come out now as to who was doing what and how much of it was being known. I do know that from the Tower commission report that at one point Bud McFarlane was demanding—now, we know this afterward in their report—demanded that they get away from this just straight bargaining about hostages and arms trading and get back to the process of the better relationship. And when they refused to do that, he walked away and wouldn't negotiate any further.

Arms Control

Q. Yes, if we could go back to the arms control question and the concerns about the imbalance in Europe because of the Soviet Warsaw Pact conventional force advantage. At what point do we draw the line and say the conventional forces are too far out of balance, we cannot remove any more nuclear weapons, we can't afford to? Where do we say that?

The President. Well, remember that, contrary to what has been said too many times, this is not a denuclearization of Europe. And first of all, we're in touch with our allies in NATO, and we want their feelings on this, too. But remember that even if the short-range and the long-range weapons—and a deal is made, there are still thousands of warheads left in nuclear weapons on our part—airborne tactical-type weapons and so forth. So, those are not a part of this negotiation at all.

Q. You're talking about strategic?

The President. We're talking strategic and the short-range missiles. We're talking missiles. There are nuclear weapons.

Q. We haven't heard anything about strategic in some time now. Has that gone by the wayside, you know, with the whole push to get a medium-range agreement?

The President. Oh, we won't ever give up on that except that we always had those delinked, even in Reykjavik. And this, since the Soviet Union came back with their willingness to discuss what had been our original proposal back in 1981—in fact, it was at

Photographic Portfolio



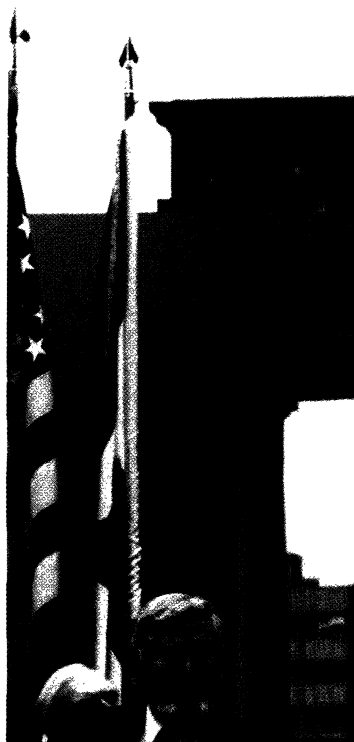


Overleaf: Arriving in West Lafayette, IN, April 9. **Above:** Working in the private study in the Residence, January 9. **Left:** Meeting in the Oval Office with Archbishop Iakovos of the Greek Orthodox Church, March 25. **Above right:** With the crew of *Stars & Stripes*, the America's Cup winner, in the East Room, February 9. **Right:** Signing the guest book at the Canadian Parliament in Ottawa, April 6.





Left: At the Palazzo Ducale with Italian Prime Minister Fanfani in Venice, June 8. **Below left:** With reporters in Columbia, MO, March 26. **Right:** With Vice President Bush at the White House, July 1. **Below right:** Speaking at the Brandenburg Gate in West Berlin, June 12.







Left: Receiving a check from Transportation Secretary Dole for the sale of Conrail in the Roosevelt Room, April 3. **Below left:** Signing the Afghanistan Day proclamation in the Roosevelt Room, March 20. **Right:** At Camp Ronald McDonald for Good Times in Santa Barbara, CA, April 18. **Below right:** At the Tuskegee University commencement ceremony in Alabama, May 10. **Overleaf:** At a State Dinner honoring Prime Minister and Mrs. Nakasone of Japan at the White House, April 30.







the National Press Club that I think I made the statement about seeking zero-zero in Europe. And to start with that, I've always believed that if we could begin by getting some actual reductions, then we can continue—and what we call our START proposal—this is the one that we'd had an agreement on that in Reykjavik on the starting of reduction of those weapons until they tied the SDI to it. I think that broke things up.

Federal Reserve Board Chairman

Q. Mr. President, all the economic reporters out there are concerned whether you are going to reappoint Paul Volcker.

Mr. Fitzwater. That's a trick question. [Laughter]

The President. No decision has been made.

Soviet-U.S. Relations

Q. What do you make of *glasnost* now? This is the evil empire and all of a sudden we're seeing *glasnost*. Has that turned things upside down at all for you?

Q. Does Gorbachev have iron teeth or doesn't he?

The President. No, but I think it is very obvious that he is faced with a tremendous economic problem, and a great deal of that

problem has been aggravated, made worse, by their military buildup. And I don't think you have to look for a change in philosophy of someone so much as—if it suits their practical ends to have some arms reduction and it suits our policies also, then let's get together.

Q. Sounds like *glasnost* at the White House.

Q. So, you think people that live in *glasnost* shouldn't throw stones? [Laughter]

Note: The interview began at 2:34 p.m. in the Oval Office at the White House. Participants in the interview included Jerome R. Watson, *Chicago Sun-Times*; Owen Ullmann, *Knight-Ridder Newspapers*; James R. Gerstenzang, *Los Angeles Times*; Jeremiah O'Leary, *Washington Times*; Julie Johnson, *Baltimore Sun*; and Thomas J. Brazaitis, *Cleveland Plain Dealer*. The reporters' questions referred to Ivan F. Boesky, who had been convicted of stock market insider trading; John Poindexter, former Assistant to the President for National Security Affairs; and Oliver North, a former member of the National Security Council staff. Marlin Fitzwater was Assistant to the President for Press Relations.

Written Responses to Questions Submitted by the Japanese Newspaper Asahi Shimbun April 28, 1987

Japan-U.S. Trade Relations

Q. Are punitive measures the wave of the future in U.S.-Japan trade relations? Will harsh sanctions resolve the semiconductor dispute? How will you balance the interests of the consumer against the need for fair trade?

The President. I decided to place high tariffs on \$300 million of Japanese exports to the United States because of evidence that the semiconductor agreement was not being fully implemented. We are encouraged by recent actions by the Japanese Government to improve the implementation of the agreement. When the arrange-

ment is working as intended, the sanctions will be lifted. We remain committed to the semiconductor agreement and want to see it function as intended. That would best satisfy both the interests of the American consumer and the need for fair trade.

My action is aimed at redressing a specific trade problem that has proven to be particularly difficult. The tariffs will affect less than one-half of 1 percent of Japan's exports to the United States. The economic relationship between our two countries is close and mutually beneficial, and the semiconductor issue should be kept in perspective. We will continue to seek to resolve prob-

lems through cooperation, and our commitment to free trade and opposition to protectionism also remains unchanged.

Q. Since last year, despite the yen-dollar currency realignment, the U.S. trade deficit has not decreased. Recently the dollar has plunged, and the latest U.S. figures indicate that the deficit has continued to climb. Are you satisfied with the current yen-dollar rate? How effective do you believe currency devaluations will be in significantly reducing the trade deficit?

The President. As Treasury Secretary Baker has said, all seven major industrial nations remain fully committed to strengthening policy coordination, promoting growth, and cooperating to foster stability of exchange rates. We all believe a further decline of the dollar could be counterproductive to our efforts.

The best way for the United States to reduce its trade deficit is by exporting more to trading partners. Since the Tokyo summit last May, Japan and the United States have worked positively to coordinate economic policies among industrialized nations, and Japan has said it will prepare a comprehensive economic program to stimulate domestic demand. Japan can make a major contribution to reducing external imbalances and sustaining world economic growth by adopting policies to promote stronger domestic demand in the short run and, over the longer run, by implementing fully the structural reforms identified in the Maekawa Report to ease Japanese dependence on exports as a source of growth.

Q. The United States now intends to raise the rice issue at the new round of the GATT. The Japanese, however, consider rice a political sanctuary. Would you like to see an open market in Japan for foreign rice?

The President. Yes. An open market would be in the interest of the Japanese consumer and the world trading community. I want the GATT negotiations on agriculture to be comprehensive. We have said that we are willing to put everything on the table, but we expect other countries to do the same. We have an opportunity to resolve problems in agricultural trade which have been an economic drain on many countries. In order to solve these problems,

we must all cooperate, and we must all be willing to put our agricultural programs and policies on the negotiating table.

International Trade Bill

Q. Congress is preparing trade legislation that is considerably more protectionist than the administration bill. How will you reconcile Congress to the administration position? Can the United States produce a trade measure that will uphold the principle of free trade?

The President. As you know, I submitted a comprehensive trade and competitiveness bill that included important trade provisions to both Houses of Congress early in this session. Our proposal aims to enhance U.S. competitiveness, to uphold free and fair trade, and serve to keep U.S. and overseas markets expanding, not closing. I do not want to make specific comments on any of the proposals that Congress is considering, because the legislative process is not complete. The bills which are being considered by the House and the Senate contain both provisions which I fully support and provisions which I continue to find objectionable. My administration will continue to work very closely with Congress to achieve the goals in trade legislation that will result in beneficial, GATT-consistent, expanding trade.

Japan's Military Role

Q. Japanese defense expenditures are now expected to go beyond the symbolic ceiling of 1 percent of her GNP. Would you like to see a significantly more powerful Japanese military presence? What do you expect the next stage of Japan's role and mission in the Pacific to be after the current 5-year defense buildup has been achieved in 1990?

The President. I do not believe the decision by the Japanese Government to abandon the 1 percent of GNP ceiling represents a fundamental change in Japanese defense policy. Rather, I understand that it was found that that artificial formula was no longer suitable for Japan's defense needs. Those needs reflect well-defined roles and missions adopted by the Japanese which are defensive in nature and complementary to

the roles and missions of U.S. forces in our mutual security relationship. As Japan's ally, we welcome the more realistic approach to defense. I do not expect Japan's military roles and missions to change significantly in the future, but we will continue to consult closely on the security environment of the region and the most effective cooperative defense measures in response to change.

Japan-U.S. Relations

Q. The U.S.-Japanese relationship has become increasingly important, both economically and politically. On the economic side, the two countries are competing more and more each day for world influence and markets. In fact, a recent study at the Harvard Business School concluded that the United States and Japan may be on a "collision course for world economic leadership." Are there confrontations ahead? How can they be avoided?

The President. There need not be any collisions if the leaders at the helm chart their courses together, as Prime Minister Nakasone and I have done. The Prime Minister and I firmly agree that the United States and Japan can help preserve peace and achieve greater prosperity by working together. Within the family of industrialized democracies, Japan's support has been essential to our success in building Western solidarity and expanding the global economy for the past 5 years.

In the business world, we have seen both increased cooperation and greater competition among U.S. and Japanese industries. We have made progress in fields ranging from superconductor research to the globalization of financial markets. Creative and open minds as well as open laboratories and markets have made such progress possible, and we are confident that a balanced two-way exchange in research and training will accelerate the rate of progress for both countries. However, along with the benefits of openness, there are responsibilities of economic leadership which must also be shared. Our democracies must be compassionate, but they must also facilitate necessary economic adjustment. We only harm ourselves by closing markets. Cooperation and fair competition can assure economic progress and a better future.

Pacific Regional Cooperation

Q. You have talked of the "Pacific Era" and the importance of cooperation among Pacific rim nations. What initiative should Japan and the United States take to bring these nations closer together? What should China's role be?

The President. The strong economic growth that is expected through the next century will give the Pacific region increasing significance and influence. The United States and Japan, as the economically strongest industrial democracies, have a unique opportunity to influence the pace and scope of cooperation within the region without, of course, interfering with the independence of its nations. In order to promote a prosperous Pacific community, the United States and Japan should use their economic strength and democratic traditions to help create a climate of political stability, security, and economic growth. Certainly, these efforts might include opening domestic markets to the goods of developing Pacific nations. We will also encourage Japan to expand and deepen its role in the IBRD, IMF, GATT, OECD, and international development banks.

China, the world's most populous country, has become an increasingly important economic actor in the Pacific region. The United States and Japan should continue to encourage China's modernization and a positive Chinese role in the region.

Arms Control

Q. In negotiations with the Soviets, is it still feasible to ask the Soviets to simultaneously accept deep cuts in strategic systems and SDI?

The President. SDI and reductions in nuclear arsenals are not mutually exclusive goals. It is quite the contrary. It is SDI that brought the Soviets back to the negotiating table and persuaded them to negotiate deep reductions seriously for the first time. SDI is also our insurance policy against the possibility that an agreement is not fully implemented. We intend that SDI provide the stability necessary for further reductions as well. With significant reductions in U.S. and Soviet nuclear arsenals, we could rely more on defense than offense for deter-

rence. We would also need fewer strategic defenses than would be required at today's strategic offensive force levels. Accordingly, it makes sense to pursue SDI and an agreement on offensive force reductions concurrently. We should also not lose sight of the fact that offensive reductions apply equally to both sides. We are not seeking to bargain away SDI; instead, we are negotiating for mutual 50-percent reductions in offensive strategic forces and for a jointly managed transition to a defense-oriented posture. Such an outcome would make sense for both sides.

Q. Do you think the recent initiatives in INF will lead to an agreement?

The President. As I said on April 15, we believe the exchanges that Secretary Shultz had in this area increase prospects for an interim agreement on intermediate nuclear forces. There remain, however, important outstanding issues to be resolved, particularly on SRINF and verification. We are consulting intensively with our allies in Europe and Asia, including Japan, on these issues.

Q. What stumbling blocks remain to a START treaty?

The President. First of all, we must reach agreement on the relationship between a START agreement and the negotiations over defense and space weapons. We believe an agreement on 50-percent reductions on offensive weapons should be the highest priority. It need not be delayed while the United States and Soviet Union resolve the issues in the defense and space forum. Second, the Soviet side must address the important concerns the United States has regarding stability. The United States has proposed certain sublimits on the most dangerous and destabilizing ballistic missiles. Sublimits are an essential part of any future START agreement, in our view. Although the Soviets have, themselves, proposed similar sublimits from time to time, they have backed away from these earlier positions. This issue, as well as the subject of effective verification, needs to be adequately addressed before an agreement can be reached.

Soviet-U.S. Summit Meeting

Q. What are the chances for a U.S.-Soviet summit in the United States this year?

The President. When General Secretary Gorbachev and I met in Geneva in November 1985, we agreed to intensify the dialog between our two countries at all levels. To stimulate this process of dialog, I invited the General Secretary to visit the United States. I can't speak for the General Secretary as to whether, or when, he will accept; I can only say that my invitation remains open and the welcome mat is out.

Korea

Q. U.S. diplomats have been instructed to engage in a substantial dialog with diplomats of N. Korea (Democratic People's Republic of Korea) when opportunities arise. What has brought about this change?

The President. The United States is committed to the reduction of tension on the Korean Peninsula. We hope that we will begin a process of reciprocal steps that will ultimately lead to a reduction of those tensions.

Q. How do you view the continuing constitutional crisis in the Republic of Korea?

The President. We believe that Korea needs a more open, broad-based government. We have repeatedly urged both major political parties in the Republic of Korea to come forward to negotiate in a spirit of compromise. Koreans themselves must design a more democratic system.

Q. What is the U.S. approach to stabilizing the Korean Peninsula?

The President. The United States encourages greater stability on the Korean Peninsula by providing a firm security commitment, supporting democratic progress, and encouraging North-South dialog and understanding. We look to those on the peninsula, however, to take the lead in ensuring peace, stability, and democratic progress there by increasing contacts, developing understanding, and building confidence.

Q. What do you expect the role of Japan to be in this effort?

The President. No outside nations are more interested in reducing tension on the Korean Peninsula than Japan and the United States. We remain in close contact with the Japanese Government on this issue, working to promote political and economic policies toward the peninsula which

will promote the cause of peace.

Venice Economic Summit

Q. In your seventh participation at the industrial nations summit in Italy, what area will be of primary interest?

The President. There are a wide range of issues, many of which we discussed last year in Tokyo, that I and my colleagues will wish to examine. I believe that the focus will be on agriculture. At the Tokyo summit, we agreed that a cooperative effort is needed to redirect the agricultural policies of the summit countries. We must go beyond this

at Venice, underscoring our firm commitment to comprehensive and expeditious negotiations in the Uruguay round to achieve the reforms that would help all of us. The agricultural subsidy and trade practices of the various summit countries hurt farmers and consumers and deprive developing countries of opportunities to produce more agricultural products.

Note: The questions and answers were released by the Office of the Press Secretary on April 29.

Proclamation 5643—National Organ and Tissue Donor Awareness Week, 1987

April 29, 1987

By the President of the United States of America

A Proclamation

Spring is a season of promise and renewal, and nothing could be more fitting during this time than to reflect on God's abundant miracles of life and growth.

Organ and tissue donorship presents an opportunity to share in these miracles. Medical technology has made it possible for thousands of Americans to benefit from organ and tissue transplantation. Sometimes this means restored vision or help for severe burns; sometimes, a heart, liver, or bone marrow transplant. But whatever the case, organ and tissue donorship shows the magnificent generosity of the American people.

More and more Americans are aware of organ and tissue donorship, thanks to much education about this worthy cause. The American Council on Transplantation has promoted organ and tissue donorship diligently for the last 4 years. Others, such as the National Kidney Foundation, the Lions Club, the Children's Transplant Association, and the Boy Scouts of America, have joined in the effort.

The results are most encouraging. Millions of Americans now carry organ and tissue donor cards. Many States give people

the opportunity to sign donor cards when they complete their driver's license forms. Our schools and our media have also become involved in this cause.

But it is each American family and each citizen who makes organ and tissue donorship work. The generosity of organ and tissue donation is a very private matter between individuals and God, the giver of life. So, as all of us rejoice this springtime on the hope and promise of life, let us also think about signing organ and tissue donor cards. We keep that promise alive by helping others in need.

The Congress, by Senate Joint Resolution 89, has authorized and requested the President to issue a proclamation observing the week of April 26 through May 2, 1987, as "National Organ and Tissue Donor Awareness Week".

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week of April 26 through May 2, 1987, as National Organ and Tissue Donor Awareness Week. I ask health care professionals, educators, the media, public and private service organizations, and all Americans to join in supporting this humanitarian cause.

In Witness Whereof, I have hereunto set my hand this twenty-ninth day of April, in

the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

[Filed with the Office of the Federal Register, 12:03 p.m., April 30, 1987]

RONALD REAGAN

Statement on House of Representatives Action on the International Trade Bill

April 29, 1987

While the House of Representatives failed to defeat the Gephardt amendment today, I am pleased by the size and strength of the vote against protectionism and mandatory retaliation called for by this amendment. The strong leadership from those committed to free and fair trade sends a clear

signal: that protectionism is not the way to resolve our trade imbalance. As this bill continues to move through Congress, we will work with them to craft a bill that will not put us on a collision course with the world and ignite a series of trade wars.

Remarks at the Annual Republican Congressional Fundraising Dinner

April 29, 1987

Joe Canzeri, Vice President, Barbara Bush, Members of the House and Senate, Chairman Boone Pickens—what happened? There. [Laughter] I thought it was sabotage for a minute—Chairman Boone Pickens and honored guests and fellow Republicans, Nancy and I are pleased to be with you on this memorable and beautiful occasion—an expensive one, too. [Laughter] Well, we can be gratified that if it wasn't for all of us, what we're paying tonight might well be the normal price for dinner. [Laughter] It's a joy to see old friends and to recognize the hard work and generosity of so many.

The other day, an aide burst into the Oval Office to tell me that intelligence reports indicated there would soon be another hostile takeover. I said, "Is it Daniel Ortega, his Eastern-bloc advisers, the helicopter gunships, and all those Soviet tanks?" He said, "No, it's even worse. It's two Texans, a letter of credit, and Boone Pickens." [Laughter] Well, then he gave me the good news. He's on our side. [Laughter]

I think we owe a special word of thanks to Boone Pickens for the terrific job he's done in putting this event together. [Applause] And I also want to thank each and every one of you for your tremendous generosity in support of our party and what we're doing for America. Believe me, we couldn't have accomplished so much without you.

Also with us tonight are a number of candidates seeking our party's nomination for President. I'd ask them to stand, but I know you'd all be watching to see Howard Baker's response. [Laughter] But seriously, we can be proud of those seeking our nomination, and I'm certain that we all agree it would be an honor to have any one of them head up our ticket. And I'm going to do everything I can to help our nominee become the next President of the United States. Now, the other party had a flock of contenders, as well—so many that it gets a bit confusing at times. A few weeks ago, I read that Gephardt had announced his candidacy. I remember putting down the

paper when I read that, and I said, "Nancy, it sounds like that fellow Hartpence has changed his name again." [Laughter]

Also a word of congratulations to Senator Rudy Boschwitz, new chairman of the National Republican Senatorial Committee. And let's make it clear, as others have said already, in 1988 we intend to win back control of the United States Senate for the GOP. It's not that we don't like Senator Byrd's fiddling, mind you. It's just that we'd like him to do it with his violin. [Laughter]

What doesn't go to winning back the Senate from tonight's revenues will be put to work by Guy Vander Jagt's National Republican Congressional Committee. And together, we're going to make certain that the next President is a Republican and that he has a Congress that will work with him rather than against him. Do you know how long it's been? The last time that a Republican President had a Republican Congress was in Dwight Eisenhower's term, and for 46 of the last 56 years, it hasn't been that way. Well, I'll come to that later. One thing becoming clearer every day is that the number of Republicans in Congress makes an enormous difference. As of next year, the other party, as I've said, will have had a majority in both Houses of the Congress for 46 of the last 56 years and one House for an additional 6 years. And we have had a majority in both Houses for only four of those 56 years, and two of those were with a Democratic President and two, as I said, with President Eisenhower. Let's make a commitment tonight to get the word out and get the vote out.

Many in the other party don't understand they're vulnerable, but the American people do understand that. For 6 years, they've been telling themselves that their political slippage is a fluke of history. Well, sometimes I'm taken aback to be given personal credit for throwing the predetermined course of history off track. Well, there's going to be a rude awakening out there when our opponents realize that our success has more to do with substance than style.

Winston Churchill was once asked, "Doesn't it thrill you, Mr. Churchill, to know that every time you make a speech, the hall is packed to overflowing?" "It's

quite flattering," Winston replied, "but whenever I feel this way, I always remember that if instead of making a political speech I was being hanged, the crowd would be twice as big." [Laughter] "Success in a democracy," as Churchill pointed out, "has little to do with pleasing the crowd and a lot to do with the soundness of one's ideas."

The unmistakable truth is that the other party still bends and twists to maintain the support of liberal activists whose values, goals, and interests are contrary to those of the American people. No matter how it's decorated, theirs is still the party of more regulations, bigger spending, and higher taxes. The Republican Party, for the sake of the country, must continue to offer a vigorous and distinct alternative, a platform consistent with the traditions and desires of those whose votes we seek.

Look at the evidence: It's only been a few months since our opponents regained control of both Houses of Congress, and already spending and tax schemes are bobbing to the surface like so much debris on the Potomac. [Laughter] One piece of pork floating our way is a housing bill to spend \$131 billion over the next 5 years. The Federal Government is already the Nation's largest landlord, and the last thing we need now, for everyone's sake, is to expand that role. The Federal Government just shouldn't be building and maintaining housing units. If the goal is helping the needy, let's give them direct financial assistance and let the private sector build and maintain the housing.

Now, this approach, of course, differs dramatically from that of those who would expand government at any cost in order to try to solve every problem. One need only remember the cumulative effect of that way of governing. The last time the opposition controlled both Houses of Congress and the Presidency, the average price of a new home went from \$54,200 to \$83,000; the interest rates shot through the roof. And by the time we got here, the average monthly payment for buying a new home had escalated from about \$330 to 780—the biggest 4-year jump in housing costs on record. Now, I ask you: Would you buy a used hous-

ing policy from such people? *[Laughter]*

No matter how well-intentioned government controls and grandiose programs are, for the most part they are counterproductive. The inefficiency and misallocation of resources inherent in this approach undercut effective local and private sector programs. You know, if central planning worked, we'd be getting our grain from the Soviet Union and not the other way around.

We hear reports from that country, for example—I collect stories about that country—of a 10-year wait, seriously, to purchase an automobile, and the customer has to pay in advance. And there's this story about a worker who saves and saves, fills out all the paperwork, stands in all the lines, obtains all the necessary approvals. And finally, at the last window, the last stamp is affixed to the documents. He lays his cash down, and the bureaucrat counts out the money and tells him to come back in 10 years for his car. The little man turns and stops, and he says—looks back and says, "Well, morning or afternoon?" *[Laughter]* "Well," the fellow says, "it's 10 years from now. What difference does it make?" He says, "Well, the plumber's coming in the morning." *[Laughter]*

By the end of the last decade, our economy was exhibiting some of the same maladies associated with other lands and other systems—shortages, long lines, stagnation, and pessimism. Turning that situation around and setting things right, was a team effort. It would never have happened without a band of stalwart Republicans in the House, headed up by Bob Michel, and also Republicans in the Senate, under Bob Dole's leadership. Proud of our accomplishments, we Republicans have made the mistake in believing the public will naturally reward us at the polls. Well, unfortunately, as we learned last fall, the fastest drying liquid known to man are tears of gratitude. *[Laughter]* The American people will cast their ballots based not on what we did yesterday, but on what we will do tomorrow.

Furthermore, we cannot win or keep the allegiance of the electorate simply by opposing spending or offering protection against the ill-conceived ideas of our opponents. Political trends, especially among young people, will continue in our direction

only if the Republican Party aggressively asserts a positive agenda for the future—a vision of a vigorous, competitive, and free America. In contrast to the program of more government advocated by our opponents, we must champion a program of growth and opportunity, of lower taxes and higher take-home pay, of freedom at home and abroad. Let our opponents continue to focus on redistribution and dividing the pieces of a shrinking pie. We'll turn our citizens loose to bake a bigger pie!

By sticking to our principles, we've created an environment that encourages enterprise, investment, and innovation. As a result, we've had 53 months of sustained growth, inflation has gone from double digits to the lowest rate in 25 years, and over 13 million jobs have been created—the American miracle, as our allies have called it. In the last 2 years, over half a million new businesses have been started. Yes, some fail, but they're free to try again. Our economy has been in a constant state of self-improvement from top to bottom. America is now well on its way into a new era of technology and enterprise.

What this has meant to our citizens—one myth being spread is that old high-paying jobs are being replaced by lower paying new jobs. Well, this big lie should be laid to rest. Yes, many entry-level, lower paying jobs are being created, but 60 percent of those 13 million new jobs are in higher paying occupations—management, technical skills, professionalism. This is one reason real take-home pay for the average American is up, poverty has declined 2 years in a row, the average lifespan continues to expand, and our standard of living is on the upswing. None of this, however, can be taken for granted. If Congress is permitted to slip back into old habits, it could well undermine prosperity, undo our reforms, and pull us back into the pit we left behind.

First and foremost, we challenge the new congressional leadership to live up to the spending limitations of Gramm-Rudman-Hollings. If they do not, we'll take our case to the people. The situation already cries out for institutional reform. The primary item on our list is giving the President of the United States the same power now in

the hands of 43 Governors, something that will help him eliminate the worst abuses of politically motivated spending. I'm talking about a line-item veto. And something else America clearly needs is a constitutional amendment requiring a balanced Federal budget. I'd prefer relying on Congress, but if they fail to act—as I wrote to the minority leader of the Montana State Senate—we can still turn to a constitutional convention to get the job done. Wasteful spending, especially in this time of high deficits, is a dagger pointed at the heart of everything we've accomplished. Let the big spenders note that if through their profligate ways they threaten to destroy the hard-fought tax reform achieved last year, they'll face not only a veto but an outraged electorate. I predict that if Congress spends itself silly, then tries to pay the bill by undoing last year's tax reform, a sort of Proposition 13-like rage will sweep across this land.

Of course, some of the most hard-fought battles that we've had in these last 6 years dealt with issues of national security. We were told time and again that if we didn't give into this or that Soviet demand, any hope for arms control would be lost. There was tremendous pressure, for example, to accept a freeze that would have left the Soviet Union in a position to dominate Europe with nuclear-armed intermediate-range missiles. Well, we held firm, and today we could be on our way to an historic first—an actual reduction in the number of nuclear weapons threatening mankind. The details must be worked out, hitches may arise, but undeniably, progress has been made. But let me reaffirm one thing tonight: We are proud of the technological genius of our people, and we do not intend to stand still simply because our adversary can't keep up. We will not bargain away our right to develop a system that can offer protection against ballistic missiles. The Strategic Defense Initiative is not on the bargaining table.

Preserving the peace is one of America's primary goals in world affairs. However, equally important to us is our commitment to championing the cause of freedom. Freedom and peace are inseparably linked, and in no place is that more clear than in Central America. If we permit the cause of

freedom to be snuffed out in Nicaragua, if we cower and refuse to support those who fight for democracy, our country will pay dearly for our lack of courage.

I received a letter signed by several of the field commanders of the democratic resistance a few months ago, just before they began their long trek back into Nicaragua. They went knowing they faced an enemy supported by Eastern-bloc and Cuban military advisers, an enemy armed with powerful Soviet weapons. In their letter these field commanders indicated they understood the political difficulties I was going through and appreciated the faith that I had in them. And they pledged, as individuals who were putting their lives on the line, fighting against tremendous odds, that they would not let me down. What they meant is, they would not let us down.

That same kind of spirit is found among the people in Afghanistan, in Angola, in Poland, and among all those who resist dictatorships. There is a power in the flame of liberty. It can melt the chains of despotism and change the world. It built our country into a mighty engine of progress and opportunity and made us a beacon of hope to all those who would be free. Today we must stand strong, because we are the keepers of that flame. And again, I appreciate your hard work and generosity. You are doing your part.

You know, I can't close without saying something I said to an audience in Los Angeles just a short time ago. I received a letter recently, and a man told me something—I had never heard it put in these words. He said, "You know, you can go to live in Greece, but you cannot become a Greek. You can go to live in Japan, but you cannot become a Japanese. You can move to Turkey, live there, but you can't become a Turk." And he went on through several more countries where this was true. "But," he said, "anyone, from any corner of the world, can come to America and become an American."

Thank you all, and God bless you all.

Note: The President spoke at 9:30 p.m. in Hall A of the Washington Convention Center. The dinner was sponsored by the

National Republican Senatorial Committee and the National Republican Congressional

Committee. Joseph Canzeri, a local businessman, introduced the President.

Remarks at the Welcoming Ceremony for Prime Minister Yasuhiro Nakasone of Japan April 30, 1987

The President. It's a pleasure today to welcome again Prime Minister Nakasone, Mrs. Nakasone, trusted friends; and he is the elected leader of a valued ally, which is also one of the world's great democracies. The good will and cooperation between Japan and the United States has been a tremendous boon to both our peoples. Such relationships as our countries enjoy and benefit from are an historical rarity. Great care has been taken over four decades by political leaders on both sides of the Pacific to mold and create this gem of friendship which is of such immense value.

This hasn't been easy; it has taken effort on both sides. Ours, after all, is a dynamic and changing friendship, filled with all the energy and spirit which one would expect between two robust peoples. Today our governments must meet the great responsibility of overseeing a continued, positive evolution between the United States and Japan. I have confidence in your judgment, and by working together, any problem we face can be solved. Even the closest of friends have differences. Ours is the challenge of keeping trade and commerce, the lifeblood of prosperity, flowing equitably between our peoples. To do that, we must address the current unsustainable trade balance. It has spawned calls for protectionism that would undo the shining economic accomplishments we've achieved together. If history tells us anything, it is that great advances in the human condition occur during times of increasing trade. Conversely, it is also clear that interruptions in international commerce result in stagnation and decline.

We recognize the domestic political pressures that play a part in the decision-making processes of our respective countries, but we also know that it is the long-

term well-being of our societies that must govern. Today the trading system is in need of adjustment, yet the answer is not in restrictions, but in increased opportunities. So together, let us seek positive solutions. As we've learned, progress will not happen on its own; tangible actions must be taken by us both. Mr. Prime Minister, I have heard outlines of new measures that you are considering, and I'm most encouraged by what appears to be a commitment to policies of domestic growth and the expansion of consumer demand in Japan—something we strongly believe will have a positive effect on the trade balance. I look forward to exploring these new approaches with you in our meetings today.

Americans firmly believe that the free flow of goods and services, accentuated with head-on and above-board competition, benefits everyone. We would like to see Japan, for example, open its markets more fully to trade and commerce. Many of our companies in manufacturing, agriculture, construction, and the financial and high technology industries want to fully participate in the Japanese market. This, too, would also provide the benefits of lower prices in Japan. Mr. Prime Minister, there's an unseen bridge that spans the vast Pacific, a bridge built by the hard work, commercial genius, and productive powers of our two peoples. We must strive to see that it is maintained in good order and is traveled with equal intensity in both directions, carrying the goods and services that improve lives and increase happiness.

The bridge to which I refer rests on the firm bedrock of democracy. Today free government and free economics complement one another and are the basis of our Pacific partnership. Today Japan and the United States, with two of the world's most power-

ful economies, share heavy global responsibilities. Your country's skillful leadership at last year's Tokyo summit demonstrated the role Japan now plays. As we prepare for the upcoming summit in Venice, our two governments will continue working closely together, fully appreciating that our cooperation has much to do with prosperity enjoyed throughout the world. The summit is an opportunity to look to the future, to ensure the peace and prosperity of the last 40 years is maintained and strengthened as we approach the new century.

Similarly, our mutual dedication to the cause of peace and security has had vast implications, especially on the Pacific rim, where the upward thrust of human progress is so apparent. We're well into the third decade of the 1960 U.S.-Japan mutual security treaty, and we look forward, Mr. Prime Minister, to continuing and expanding upon our security cooperation.

I am pleased to have this opportunity to speak directly with Prime Minister Nakasone on the bilateral and international issues. It was a hundred and twenty years ago, since Commodore Perry first arrived on the shores of Japan. Commodore Perry sent a message, explaining his purpose to be "a mutual interchange of those acts of kindness and good will which will serve to cement the friendship happily commenced and to endure, I trust, for many years." Mr. Prime Minister, in coming to our shores, we welcome you in that spirit. Let us, too, cement the friendship happily commenced so that it will endure for many years. Prime Minister Nakasone, Mrs. Nakasone, we most sincerely welcome you.

The Prime Minister. Mr. President, ladies and gentlemen, thank you very much for your warm words of welcome. It gives me great pleasure to make an official visit to the United States at your invitation and to have this opportunity, together with my family, to meet again with you and Mrs. Reagan. Since I assumed the Office of the Prime Minister of Japan, I have consistently made my utmost efforts to strengthen further the friendly and cooperative relations between our two countries. Today the relations are basically strong and sound. In addition to our bilateral cooperation in many areas, the two countries are working closely

together to solve the political and economic problems facing the world.

Mr. President, the United States is continuing a genuine effort to build upon the potential agreements reached in Reykjavik on arms control, to lay a solid foundation for world peace. For the success of such efforts, it is now more important than ever to strengthen solidarity among the Western nations. Looking towards the upcoming summit meeting in Venice, I strongly hope that my visit will prove to be constructive from this global perspective, as well. If our two countries are to fully discharge our global responsibilities, it is essential that our bilateral relations develop on an unshakable foundation.

I am deeply concerned that serious frictions on the trade and economic issues are on the rise between our two countries. We should not allow such a situation to undermine the friendship and mutual trust between our two countries. Throughout my visit, I intend to state clearly the policy measures Japan has taken so far and will take in the future for overcoming these problems. At the same time, I will listen carefully to the views of the administration, the Congress, and the people of the United States. I have journeyed across the Pacific Ocean knowing that at times one must sail on high waves. But I hope that my visit, with everyone's assistance, will offer maximum beneficial results for our two countries.

Mr. President, in your inaugural address in 1981, you said, "We have every right to dream historic dreams." With energetic leadership, the American people have built this great nation, constantly moving forward and aspiring to seek out new frontiers. This pursuit of heroic dreams forms the driving spirit of your nation. We, the Japanese people, have built our present nation desiring to occupy an honored place in the international society and determined to contribute to world peace and prosperity. I am determined to exert all my efforts, too, so that our two peoples can dream heroic dreams together, looking towards a bright future for all mankind.

Thank you.

Note: The President spoke at 10:09 a.m. at the South Portico of the White House, where Prime Minister Nakasone was accorded a

formal welcome with full military honors. Following the ceremony, the President and the Prime Minister met in the Oval Office.

Toast at the State Dinner for Prime Minister Yasuhiro Nakasone of Japan April 30, 1987

Mr. Prime Minister and Mrs. Nakasone, we are again honored to have you visit our home. One of the joys this high office has afforded Nancy and me has been the opportunity to develop a personal relationship with you. We cherish your visits here and our travels to Japan. We remember sharing many moments, sitting with you in a tranquil setting, sharing personal thoughts and feelings.

We also remember attending an astounding archery exhibition as your guests. Men on horseback, in full traditional armor, with bow and arrow, hit their target with precision at full gallop. Now, I'm keenly aware of how difficult it is to control a horse in such a show. I was doing a picture once called "Santa Fe Trail." [Laughter] I was playing General Custer when he was a lieutenant [laughter] and the scene called for me to ride up until the horse's head was practically over the mouth of a cannon, and then I was to shout an order and so forth and carry on from there. But at the same time, the director had ordered them to shoot the cannon. [Laughter] When I got the horse stopped, we were about a quarter of a mile away and had knocked down 16 reflectors that were supposed to be shooting sunlight onto the scene, and we could not get the horse back closer than 200 yards to the cannon. [Laughter] But our pride in horsemanship is only one example of the many cultural similarities between our peoples. [Laughter]

Certainly, in each comparison, there are differences, yet one cannot help but be struck by the likeness of our two peoples. They're achievers; they're goal-oriented

builders, tenacious people. One individual who personified these traits was a remarkable citizen of your country who climbed the highest peaks on six continents. He floated down the Amazon River on a balsa raft. And he was the first person to do a solo journey to the North Pole. His name was Naomi Uemura, who said after one amazing feat, "For me, an end is just the beginning." Well, never afraid to try, he said, "I always want to know the limits of human endurance or the limits of my own potential."

On February 12, 1984, his 43d birthday, he became the only climber to make a solo climb of Mount McKinley's 20,320-foot peak in midwinter, and only days later, Naomi Uemura lost his life. I cannot help but think that the message of this unique individual is something that touches the soul of both our peoples and should guide us in our dealings. Let us not be afraid to take our relationship to its utmost potential. Let us realize that every goal we reach is just a beginning of the next challenge.

Prime Minister Nakasone and I had forthright and productive discussions today. We, in a way, are also explorers, traversing uncharted paths and pushing on to achieve new goals and reaching for new heights. And, unlike Mr. Uemura, we do not travel alone. The American and Japanese people will climb this mountain together and will not only survive but triumph.

And so, I ask you now to all join me in a toast. To Prime Minister and Mrs. Nakasone, and to the people of Japan, all our friends.

Note: The President spoke at 9:58 p.m. in the State Dining Room at the White House.

Proclamation 5644—National Child Abuse Prevention Month, 1987 April 30, 1987

*By the President of the United States
of America*

A Proclamation

Child abuse is a tragedy that can and must be prevented. Yearly estimates of the number of children who are suspected victims of child abuse or neglect run into the millions. Each year, maltreatment kills several thousand children and inflicts long-term physical, mental, and emotional harm on many others. Much remains to be done if we are to guarantee all American youngsters the safe and happy upbringing due every child granted to us.

Fortunately, we have come to understand better the duty of every American to protect our children, and our knowledge about the prevention and treatment of child abuse continues to grow. We better realize the duty of individuals—neighbors, friends, clergy, teachers, parents, relatives, doctors, nurses, volunteers, and so on—State and local authorities and community child protection agencies to safeguard children and to provide support, information, and guidance to families in which maltreatment of children may happen.

All Americans should cherish the children of our land and revere the precious gift of every life. We must guard our children and join with citizens in our communities who

are working to eliminate child abuse. We should also cultivate a safe and nurturing social environment for our children that promotes strong and loving families and embodies the morality, compassion, and traditional values that have ever protected society and its most vulnerable members.

The Congress, by Senate Joint Resolution 58, has designated the month of April 1987 as “National Child Abuse Prevention Month” and authorized and requested the President to issue a proclamation in observance of this event.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the month of April 1987 as National Child Abuse Prevention Month. As we observe this time, let us all consider our responsibility for the wholesome and secure development of our children.

In Witness Whereof, I have hereunto set my hand this thirtieth day of April, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:50 a.m., May 1, 1987]

Note: The proclamation was released by the Office of the Press Secretary on May 1.

Remarks Following Meetings With Prime Minister Yasuhiro Nakasone of Japan May 1, 1987

The President. I have been pleased to welcome Prime Minister Nakasone to Washington. He is a friend, a wise colleague, and the leader of America’s most important partner and ally in the Pacific. Prime Minister Nakasone and I have worked together now for more than 4 years, and I’ve greatly valued his advice and cooperation. Our

talks covered a wide range of issues. We reaffirmed our shared commitment to peace and democracy throughout East Asia and the Pacific. And Prime Minister Nakasone was briefed on the current status of arms talks with the Soviet Union, and we agreed on the vital importance of Western solidarity in this endeavor.

He and I also discussed in detail the upcoming Venice summit. We agreed that agriculture will be an important topic, along with macroeconomic matters, and debt. Many governments, including our own, have constructed impediments to agricultural trade and have market-distorting subsidies in place. We've agreed these costly and harmful policies should be removed. I emphasized this to Prime Minister Nakasone and told him that early improvements in access for U.S. agricultural products to Japan's markets are vital, economically and politically. The Prime Minister and I affirmed that all of the policies of our respective nations affecting trade and agriculture are subject for discussion in the new round of trade negotiations along with the agricultural policies of other countries.

Trade between our two countries was, as expected, an area of heavy discussion. Both Japan and the United States recognize that the current trade imbalance is politically unsustainable and required urgent attention. The Prime Minister described to me measures his government intends to take, and I am supportive of those positive actions and optimistic that we will soon see the situation begin to improve. In this regard, we reaffirmed our commitment to cooperate closely on economic policy as described in our joint statement. Of course, the United States, too, must do its part, and I made clear that we are committed to cutting the budget deficit and are strengthening the competitiveness of U.S. industry. Consistent with the approach Prime Minister Nakasone and I have agreed to, protectionism will be strenuously opposed on both sides of the Pacific.

The Prime Minister and I also discussed our two countries' shared commitment to assist the world's debtor nations. I welcome the Japanese Government's plans to make available to developing countries on an untied basis more than \$20 billion in new funds over the next 3 years.

On the semiconductor issue, we have agreed to review the data in mid-May. It's my hope that, with the Venice summit coming up, our ongoing review of the semiconductor agreement will demonstrate a persuasive pattern of compliance, thereby allowing removal of the sanctions as soon as

possible.

America's relationship with Japan is both close and broadly based. We share a host of common interests in the world. Prime Minister Nakasone and I agreed that the leaders of our two great countries should hold regular annual meetings. The widespread economic and social contacts between our peoples will, of course, continue, and we will remain each other's close friends and trading partners. Of that there is no doubt. I look forward to seeing Prime Minister Nakasone again in a few weeks in Venice and now wish him and his wife Godspeed on their journey home.

The Prime Minister. I would like to thank you, Mr. President, for your warm hospitality, and I'm very pleased that we have had 2 days of very fruitful meetings. The President and I placed most of our emphasis on the future of the world economy, recognizing that our respective huge current account imbalances could bring about serious consequences for the health of the world economy. It is necessary to rectify this situation fundamentally and as soon as possible. We affirmed our shared political determination that our two countries will take vigorous and consistent policy measures. In this connection, we are determined to cooperate closely on microeconomic policy and exchange rates, as described in our joint statement. I emphasized to the President that between our two countries problems should be solved by cooperation and joint endeavors and that the measures of the United States concerning semiconductors should be withdrawn promptly.

The President and I noted with satisfaction the progress seen on other specific issues. The two governments will continue to work to resolve remaining issues. I explained to the President that our government is taking the lead in the effort to expand the import through extraordinary and special budget measures of substantial magnitude. I also told him that our government intends to complete our 7-year target for doubling our ODA [foreign assistance] 2 years in advance; to recycle more than \$20 billion, new funds, in totally untied form over 3 years, mainly to the developing countries suffering from debt problems, to-

taling more than \$30 billion if added from the previous pledge; and to extend positive assistance to sub-Saharan and the other less developing countries. The President expressed his high appreciation for our decision.

The President and I agreed to actively promote the GATT Uruguay round. We noted that all of our nations' policies affecting trade in agriculture are a subject for discussion in the Uruguay round, along with the agriculture policies of other nations. The President explained that he's endeavoring to reduce the budget deficit and to promote measures to improve competitiveness. I stated my strong wish for the success of these policy measures. Moreover, I was encouraged by the President's statement of his determination to stand firm against protectionism.

We noted with satisfaction that the security relations between our two countries are excellent and agreed that Japan and the U.S. will continue our efforts for further strengthening the credibility of the Japan-U.S. security arrangements. I reiterated my firm belief that the global and total elimination of long-range INF is the best solution for the security of the West and that this remain the ultimate goal. Should an interim agreement be arrived at, the President concurred with my statement: Japan, in close communication with the United States, will expand its effort for the political and economic stability of the regions of the Middle East, Africa, the South Pacific, and Latin

America as well as Asia. In particular, we reaffirmed our further support for the Philippines.

We also agreed, given the present severe international economic situation, on the need for stronger political leadership in promoting policy coordination among the nations at the upcoming Venice summit. We should also further consolidate the solidarity of the West in political field in light of the present state of East-West relations and of arms control negotiations. Taking into account the results of our meetings, including our mutual agreement to hold regular, annual Japan-U.S. summit meetings, I renew my determination to do my utmost to further consolidate U.S.-Japan relations for the peace and prosperity of the world.

Thank you.

Reporter. Mr. President, do you think you can lift the sanctions before the summit, sir?

The President. It's going to depend. As we said, this is what we're working on. But we're behind schedule now—and his schedule for the remainder of the day—so we're going to have to depart.

Q. Mr. President, the prime rate went up this morning a half point. Does that disturb you that U.S. interest rates are going up? The prime went up this morning.

The President. Well, I wish it hadn't.

Q. Can you do anything about it?

The President. We'll have to see.

Note: The President spoke at 11:42 a.m. in the Rose Garden at the White House.

Joint Statement on Japan-United States Relations May 1, 1987

President Reagan and Prime Minister Nakasone reaffirmed their commitment made at the 1986 Tokyo Summit to strengthen international economic policy coordination. They welcomed the progress that has been made toward this end, including the commitments and actions embodied in the Louvre Accord, and in the recent statement of the G-7 in Washington. They agreed that reducing the large trade imbalances of the

U.S. and Japan—which they view as politically unsustainable—is a key objective of their policy efforts.

In this regard, the President emphasized his determination to reduce the U.S. budget deficit. He also pledged to pursue vigorously policies designed to improve the competitiveness of American industry, and to resist firmly protectionist pressures. Prime

Minister Nakasone outlined his plan to take vigorous action to stimulate domestic growth in Japan. This action includes the step just taken by the Bank of Japan to begin operations to lower short-term interest rates. The Ministry of Finance supports this action. Other short and medium-term policy actions to stimulate growth will include: support for the governing Liberal Democratic Party's proposals for near-term enactment of a comprehensive economic package, including unprecedented front-loading of public works expenditures and fiscal stimulus measures amounting to more than 5 trillion yen; further measures to liberalize Japanese financial markets; and redoubled efforts to implement the recommendations for structural reform in the Maekawa Report.

The President and Prime Minister agreed that outstanding trade issues between the two countries need to be resolved expeditiously. In this connection, they referred to the specific discussion of trade policy matters in their respective departure statements.

The President and Prime Minister agreed that a further decline of the dollar could be counterproductive to their mutual efforts for stronger growth in their economies and for reduced imbalances. In that connection, they reaffirmed the commitment of their governments to continue to cooperate closely to foster stability of exchange rates.

Note: The Group of Seven (G-7) were the seven countries that participated in the annual economic summit meetings.

Nomination of Michael A. McManus, Jr., To Be a Member of the Board of Directors of the Communications Satellite Corporation *May 1, 1987*

The President today announced his intention to nominate Michael A. McManus, Jr., to be a member of the Board of Directors of the Communications Satellite Corporation until the date of the annual meeting of the Corporation in 1990. This is a reappointment.

Mr. McManus is currently the vice president for strategic planning/consumer products, for Pfizer, Inc., in New York City. Previously he was the executive vice president

of the Revlon Group, 1985-1986. From 1982 to 1985, Mr. McManus served in the White House as an Assistant to the President.

Mr. McManus graduated from the University of Notre Dame (B.A., 1964) and Georgetown University (J.D., 1967). He served in the United States Army from 1968 to 1970. Mr. McManus was born May 11, 1943, in Boston, MA. He is married and resides in New York, NY.

Nomination of Jerry Lee Calhoun To Be a Member of the Federal Labor Relations Authority, and Designation as Chairman *May 1, 1987*

The President today announced his intention to nominate Jerry Lee Calhoun to be a member of the Federal Labor Relations Authority for a term of 5 years expiring July 29, 1992. This is a reappointment. Upon confirmation, he will be designated Chair-

man.

Mr. Calhoun is currently the Chairman of the Federal Labor Relations Authority. He was Acting Assistant Secretary of Defense for Force Management and Personnel, August 1985-December 1985; Deputy As-

sistant Secretary, Civilian Personnel Policy and Requirements, 1981–1983; and manager of industrial-labor relations, the Boeing Commercial Airplane Co., 1978–1981.

Mr. Calhoun graduated from Seattle Uni-

versity (B.A., 1967) and the University of Washington (M.A., 1975). He was born September 9, 1943, in Ludlow, MS. Mr. Calhoun has two children and resides in Washington, DC.

Nomination of Noreen C. Thomas To Be a Member of the National Advisory Council on Educational Research and Improvement

May 1, 1987

The President today announced his intention to nominate Noreen C. Thomas to be a member of the National Advisory Council on Educational Research and Improvement for a term expiring September 30, 1988. She would succeed Wallie Cooper Simpson.

Since 1979 Mrs. Thomas has been a first and second grade teacher at the Evergreen Elementary School in Mountlake Terrace,

WA. Prior to this she was a teacher at the Cedar Way Elementary School and taught for a total of 29 years in the Edmonds School District.

Mrs. Thomas graduated from Washington State University (B.A., 1957). She was born August 13, 1935, in Port Angeles, WA. Mrs. Thomas is married, has one child, and resides in Edmonds, WA.

Nomination of Joni Tada To Be a Member of the National Council on the Handicapped

May 1, 1987

The President today announced his intention to nominate Joni Tada to be a member of the National Council on the Handicapped for a term expiring September 17, 1988. She would succeed Joseph Dusenbury.

Mrs. Tada founded the Christian Fund for

the Disabled in Agoura, CA. She has written two books and is known for her artwork, movies, books, radio programs, seminars, and public meetings.

Mrs. Tada was born October 15, 1949, in Baltimore, MD. She is married and resides in Woodland Hills, CA.

Remarks at a White House Briefing for Members of the American Legislative Exchange Council

May 1, 1987

Let me say a special thanks to your executive director, Connie Heckman, and to your chairman, Representative Roy Cagle. This is the seventh time that I've met with you since coming to Washington in 1981. It's always a pleasure meeting with ALEC members. ALEC members and I've been

soldiers fighting a common battle for—well, ever since my days as Governor of California.

I should confess one little secret of mine. Ever since coming to Washington, I've had mixed feelings about these annual ALEC get-togethers. Each year I look out at all of

you outstanding legislators, and I can't help thinking: Why can't the Congress look like this? [Laughter] But even so, you ALEC members have been allies these last 6 years. You helped us as we fought to bring down tax rates twice, to cut needless regulations, and to get control of government spending.

When others were saying that our tax cuts meant more inflation and less growth, you helped us counter with the truth: that the American people know better than the Federal Government how to spend their own money. When the big spenders were saying that government costs couldn't be controlled, all across the Nation, you showed that they could, by controlling State government costs. By your example and voice, you've helped change America's course and start the great American journey of hope, climbing once again up the mountains and to the stars.

Yet in the last 6 years, inflation and interest rates fell from record highs—interest to the lowest rate in a decade and inflation to the lowest in a quarter of a century. And in the past decade, America has created more jobs than Japan and Europe combined. The American spirit of enterprise has soared as new businesses have created new jobs by the millions. And most important of all, the American family has been taken off of the endangered species list. [Laughter] We've reversed the decade-long falling roller coaster made of real family income. Since our recovery began, families have more each and every year, as have individuals. And as one authority on demographics has said, "What this means is that the middle class is strong and should remain healthy."

Of course, our critics won't hear any of this. They've talked about a declining middle class and about what they call reindustrial—*or* deindustrialization. That means that American manufacturing is in decline, too. Well, our critics have spent 6 years getting things wrong. During our recovery, American manufacturing productivity has shot ahead at the fastest pace in 20 years and, overall, our manufacturing productivity is way above that of our next closest international competitor. Not only that, but in the last 4 years, American manufacturing output has soared almost 30 percent, and we've added more jobs in manufacturing

than either Europe or Japan.

Our critics have spent a lot of time trying to find a cloud to go with the silver lining. [Laughter] The silver lining has been one of the longest peacetime expansions in the past 40 years. But in the process, they've been getting things so mixed up that they remind me of that teacher who asked her students which is more important, the Sun or the Moon? And one little boy raised his hand and said, "The Moon, because the Sun's around during the day when you don't need it. [Laughter] And if it wasn't for the Moon, it'd be totally dark at night." [Laughter]

Well, I said that you've been an ally in all the battles of the last 6 years. But today, in area after area, you're more than an ally, you're a leader. Congress talks about international competitiveness. But when it comes to doing something about one of the biggest drags on our competitiveness, a tort system that's going up in flames, Congress has fiddled away. You're the ones who brought in the firetrucks. Just last year, at least 37 States enacted reforms in their liability laws. We can debate the details, but isn't it time for Congress to follow your lead and declare that lawyers should do as doctors swear to do in the Hippocratic Oath? They should "abstain from every voluntary act of mischief."

You've been in the lead in helping the poor as well. Enterprise zones are one example. Again, while Congress fiddled, you went to work. In the last 6 years, despite congressional inaction, 31 State legislatures passed enterprise zone programs into law. From New Jersey to California, 25 States have actually designated the zones. Today, in hundreds of communities, enterprise zones are bringing investment, hope, and jobs for the poor by the thousands.

Now, we've sent our welfare reform package up to the Hill. As with enterprise zones, our guiding principle is to lessen dependency and increase opportunity. And this time, from the very start, you're out in front. Knowing what you don't know is the beginning of wisdom. The Federal Government does not know how to get people off of welfare and into productive lives. We had a war on poverty—poverty won.

[*Laughter*] But when we went around the Nation looking, we found States and communities that do know how. So, we don't plan to serve up another program from Washington. We want to give States and communities the room to experiment, room to find out more about what works. Our welfare reform proposal asks a simple question: In looking for a solution to the poverty problem, isn't it time Washington got a dose of humility and turned to you for help?

You've been leading in education reform, as well. You've been ahead of the Federal Government in recognizing that the SAT scores didn't go down in the sixties and seventies because we failed to spend on education. Year after year, we spent more than ever before. Quality slipped because we got away from teaching mastery of the basics of readin', writin', and 'rithmetic. We got away from teaching the basics of our national heritage. And we got away from teaching simple standards of right and wrong. It's time to take standards seriously again. Young people expect adults to correct them and tell them what is right and what is wrong.

And there's one other area where it's time for Washington to follow your lead: getting control of government spending. You've made the hard decisions in the States. It's time to do the same thing here in Washington. The answer to the deficit isn't more taxes. Congress should cut the Federal budget and leave the family budget alone. Ever since the middle of the seventies, when Congress shoved the President out of the way and took over the budget process almost entirely, deficits have been soaring. In the last few weeks, we've seen how Congress works. They've begun to talk about abandoning Gramm-Rudman-Hollings deficit reduction targets and about raising taxes. And at the same time, they've passed two outrageous spending bills over my veto. One bill included funding for a mass transit project that, in the end, will cost \$6 a passenger-ride to build. It would be cheaper to put them all in taxicabs. [*Laughter*]

But that's not enough for Congress. There's a supplemental appropriation coming down the pike that has five more highway projects worse than those that

made me use my veto pen before. The others were only partially Federally-funded; these are entirely Federally-funded. Isn't it time to give the President what 43 Governors have: the power to cut wasteful projects item by item, a line-item veto?

And we also need a balanced budget amendment to the Constitution. Here again, you can be in the lead. Time and again, Congress has failed to pass a balanced budget amendment. When it comes to spending, three words they never want to hear are, "Just say no." [*Laughter*] Well, State legislatures have it in their power to make Congress say no to deficit spending. Thirty-two States of the 34 necessary have called for a constitutional convention to enact a balanced budget amendment. Doesn't it make sense for State legislatures to give Congress a clear choice: Pass a balanced budget amendment on their own or have a constitutional convention pass one for them? That would be among the most eloquent statements of the principle of federalism in the last 200 years, and it's about time.

The constitutional foundations for federalism have been seriously eroded in recent decades. The fault is on both sides of the Federal-State line. Time and again, the National Government has intruded into the domain of the States. Too many State leaders have traded sovereignty for a few pieces of Federal silver. Our welfare reform proposal is one of the practical steps that we're taking to restore that balance. I know you agree; there's no more important battle to finish than that of restoring government to the people. And that's what federalism is all about.

In the last 6 years, working together both here in Washington and in the State capitals, we conservatives have changed America's course. We've opened up doors of opportunity and hope for all the American people. We've restored America's strength. But the job isn't done—far from it. In the months ahead, we'll need your support on welfare reform, on restoring values to education, and on stopping legislation that would stop our expansion. I mean big spending and protectionist legislation. So, let's roll up our sleeves and get on with it.

And thank you all, and God bless you all.

Room 450 of the Old Executive Office Building.

Note: The President spoke at 1:17 p.m. in

Proclamation 5645—Loyalty Day, 1987

May 1, 1987

*By the President of the United States
of America*

A Proclamation

For nearly 30 years, Americans have celebrated May 1 as Loyalty Day. This is a day to reaffirm our loyalty to our land of liberty and to recall with pride and gratitude the generations of our countrymen who preserved our freedom by their loyalty to America.

Loyalty to our country means being faithful to our heritage of liberty and justice for all. During this Bicentennial year of the Constitution, let us make our observance of Loyalty Day one of reflection on all the profound good that our experiment in individual liberty and limited government has meant for the United States of America and for the hope of the world. Let us rekindle in every heart the unshakeable strength and purpose that was our forefathers'. Let us ask the Author of Liberty, as did they, to bless and protect the United States. In these ways we will, in loyalty, fulfill our sacred trust to "secure the Blessings of Liberty to

ourselves and our Posterity."

To foster loyalty and love of country, the Congress, by joint resolution approved July 18, 1958 (72 Stat. 369, 36 U.S.C. 162), has designated May 1 of each year as "Loyalty Day."

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim May 1, 1987, as Loyalty Day and call upon all Americans and patriotic, civic, fraternal, and educational organizations to observe that day with appropriate ceremonies. I also call upon all government officials to display the flag of the United States on all government buildings and grounds on that day.

In Witness Whereof, I have hereunto set my hand this first day of May, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 4:39 p.m., May 1, 1987]

Message to the Congress Reporting on the National Emergency With Respect to Nicaragua

May 1, 1987

To the Congress of the United States:

I hereby report to the Congress on developments since my last report of November 10, 1986, concerning the national emergency with respect to Nicaragua that was declared in Executive Order No. 12513 of May 1, 1985. In that Order, I prohibited: (1) all imports into the United States of goods and services of Nicaraguan origin; (2) all ex-

ports from the United States of goods to or destined for Nicaragua except those destined for the organized democratic resistance; (3) Nicaraguan air carriers from engaging in air transportation to or from points in the United States; and (4) vessels of Nicaraguan registry from entering United States ports.

1. The declaration of emergency was

made pursuant to the authority vested in me as President by the Constitution and laws of the United States, including the International Emergency Economic Powers Act, 50 U.S.C. 1701 *et seq.*, and the National Emergencies Act, 50 U.S.C. 1601 *et seq.* This report is submitted pursuant to 50 U.S.C. 1641(c) and 1703(c).

2. The Office of Foreign Assets Control of the Department of the Treasury issued the Nicaraguan Trade Control Regulations implementing the prohibitions in Executive Order No. 12513 on May 8, 1985, 50 Fed. Reg. 19890 (May 10, 1985). There have been no changes in those regulations in the past 6 months.

3. Since my report of November 10, 1986, fewer than 30 applications for licenses have been received with respect to Nicaragua, and the majority of these applications have been granted. Of the licenses issued in this period, most either authorized exports for humanitarian purposes, covering medical supplies, food, and animal vaccines, or extended authorizations previously given to acquire intellectual property protection under Nicaraguan law.

4. The trade sanctions complement the diplomatic and other aspects of our policy toward Nicaragua. They exert additional pressure intended to induce the Sandinistas to undertake serious dialogue with representatives of all elements of the Nicaraguan democratic resistance and to respond favorably to the many opportunities available for achieving a negotiated settlement of the

conflict in Central America. The trade sanctions are part of a larger policy seeking a democratic outcome in Nicaragua by peaceful means.

5. The expenses incurred by the Federal Government in the period from November 1, 1986, through April 30, 1987, that are directly attributable to the exercise of powers and authorities conferred by the declaration of the Nicaraguan national emergency are estimated at \$187,007, all of which represents wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in the Customs Service, as well as in the Office of Foreign Assets Control, the Office of the Assistant Secretary for Enforcement, and the Office of the General Counsel), with expenses also incurred by the Department of State and the National Security Council.

6. The policies and actions of the Government of Nicaragua continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. I shall continue to exercise the powers at my disposal to apply economic sanctions against Nicaragua as long as these measures are appropriate and will continue to report periodically to the Congress on expenses and significant developments, pursuant to 50 U.S.C. 1641(c) and 1703(c).

RONALD REAGAN

The White House,
May 1, 1987.

Announcement of the Appointment of Max L. Friedersdorf as the United States Representative to the Conference on Disarmament *May 1, 1987*

The White House today announced the appointment of Max L. Friedersdorf by Secretary of State Shultz to be United States Representative to the Conference on Disarmament in Geneva. He will succeed Donald S. Lowitz.

Mr. Friedersdorf is currently serving as United States Consul General to Bermuda.

He previously served for 2 years as President Reagan's Assistant for Legislative Affairs and as legislative strategy coordinator and served in similar capacities for Presidents Nixon and Ford. Mr. Friedersdorf also worked as an administrative assistant for former Congressman Richard L. Roudebush (R-IN) for 10 years, was staff director of the

U.S. Senate Republican Policy Committee, and was Chairman and Vice Chairman of the Federal Election Commission in 1979–1980. He also is a former vice president for public affairs at Pepsico, Inc., Purchase, New York. Mr. Friedersdorf is a graduate of Franklin (IN) College and American University. He worked as a newspaper reporter in

Indianapolis, Louisville, and Chicago before coming to Washington in 1961 with Representative Roudebush.

He was born July 7, 1929, in Indiana and is a Florida resident. He is married to the former Priscilla Jones and has two children: Kristine, a lawyer in San Diego, and Fritz, an engineering student in Florida.

Radio Address to the Nation on International Trade and the Deficit *May 2, 1987*

My fellow Americans:

It's been a busy week here in Washington with the issue of international trade on the front burner. Legislation that would erect a new trade barrier was voted on by the House of Representatives, and here at the White House, I discussed trade issues at length with Prime Minister Nakasone of Japan, one of America's most important trading partners. These developments are important to all of us, because one of the gravest threats to economic expansion and American jobs is protectionist legislation that sets up trade barriers and higher tariffs.

By sparking retaliation from foreign governments, this approach ultimately ignites a trade war, shuts down foreign markets, and stymies economic growth at home. Unfortunately, the House of Representatives decided to go down that track, but there's a positive twist to the vote. You see, in an encouraging bipartisan showing, a good many Democrats joined with Republicans in opposition to an especially bad amendment. This week's vote in the House indicates we have a strong hand in keeping bad proposals like this from gaining final passage in Congress. Believe me, I would like to sign sound trade legislation, but I will not sign bills that close down markets and shut off expanded job opportunities.

Now, with regard to my discussions on the trade issue with Prime Minister Nakasone, the news was more positive. I've already stressed that we're against protectionism and in favor of free trade, but there's another side to this: Free trade is also fair

trade, and that means not permitting other nations to take advantage of our trade policies by erecting barriers of their own. Now, I recently ordered increased duties on certain Japanese products coming into this country in response to Japan's inability to enforce our agreement on semiconductor trade.

This action and our entire trading relationship with Japan was one of the issues Prime Minister Nakasone and I discussed at length. We are of one mind about avoiding protectionist steps on either side of the Pacific. I made it clear that I hope our ongoing review of data related to the semiconductor agreement will provide evidence of compliance and allow us to remove the recently imposed restrictions on Japanese products as soon as possible. The Prime Minister reiterated his own government's commitment to honoring our trade agreements and working together for free trade in the Pacific and throughout the world. Prime Minister Nakasone also agreed to measures to stimulate the Japanese economy, which should increase demand for U.S. products in Japan.

Let me turn now to another issue on the docket this week, one that's related to trade: the budget and excessive spending. Our trade deficit reflects the fact that this nation is spending more than its income, and a key to solving this problem is to get deficit spending by the Federal Government under control. Two years ago we took a major step in this direction when the Congress agreed to a bill called Gramm-Rudman-Hollings that gradually reduces

deficit spending and eventually leads to a balanced budget.

But unlike the trade issue, the developments this week on this front were not encouraging. The Senate, for example, adopted certain procedures that make it far easier to exceed the Gramm-Rudman-Hollings spending targets, targets they agreed to just 17 months ago. Maybe your reaction is the same as mine: Here we go again. Congress just keeps passing higher and higher spending bills, all the time ignoring its promises to the American people under Gramm-Rudman-Hollings: a promise to stop enacting a hodgepodge of excessive spending bills and come up instead with a comprehensive budget that keeps deficit spending under control.

As I've been saying right along, the problem is the congressional budget process itself. Congress just refuses to exercise any budget discipline. That's why it's essential that the President be given the power to step in and cut out the waste. I need what the Governors of 43 States use to—used, I

should say, to accomplish this: the line-item veto, a way of reaching into these massive congressional spending bills and cutting out the wasteful items. And, of course, Congress is also showing that we really need a Constitutional amendment that would mandate a balanced budget. If Congress can't discipline itself, then the American people must say no. Believe me, the events of this week show again how important both these initiatives are.

So, that's the news on this week. Let me just take a moment now to look forward to next week and another important issue on our domestic agenda: illegal drug use. We'll be announcing a White House Conference for a Drug Free America. It's going to give us a chance to look at the progress we've already made in this crusade and then map out a plan for the future, and that's good news!

Until next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from the Oval Office at the White House.

Informal Exchange With Reporters on the Iran Arms and *Contra* Aid Controversy in New York, New York May 3, 1987

Q. Mr. President, do you still want to make the Sandinistas cry uncle?

The President. I want them to try free elections.

Q. Do you think they're likely to do that? Are they going to give up what they've got because you want democracy in Central America, sir?

The President. Bill [Bill Plante, CBS News], we're on a different subject. But you know what our purpose is there, and I'll be talking about it in this speech. I want you to listen very carefully to the speech.

Q. Senator Inouye says you knew about the money—to raise money for the *contra* military aid. Is that right or not?

The President. No.

Q. They said you knew about outside funding.

Q. Mr. President, Lewis Tambs said he took orders from the White House to help the *contras* illegally.

The President. Let me just say one thing because of the questions you have been asked and the answers I gave. With regard to whether private individuals were giving money to support the *contras*, yes, I was aware that there were people doing that. But there was nothing in the nature of a solicitation by the administration, to my knowledge, of anyone to do that.

Q. Sir, were you aware that they were giving money for military aid?

The President. All I knew was that there were people that were raising money to be of help to the *contras* just as people have done that for other causes in other countries.

Q. But even for military aid, sir?

The President. I had no detailed information. I did know—and the people I met with, I met with to thank because they had raised money to put commercials on television urging the Congress to support the *contras*.

Q. Senator Inouye seemed to suggest today that maybe you knew more than that.

The President. No, as the program went

on—I listened to him very carefully—he made it plain what he was actually saying: that no, I did not have knowledge of things of that kind. What he had said in the first place was that I was not off some place on an island not paying any attention.

Note: The President spoke at 4:35 p.m. while touring the renovation project on Ellis Island.

Remarks to the 100th Annual Convention of the American Newspaper Publishers Association in New York, New York May 3, 1987

Thank you, Dr. Graham, for being here, Mr. Chairman, Mayor Koch, ladies and gentlemen—there she is. I was just looking for the other woman in my life. [Laughter] It's a great honor to be here with you on this the 100th anniversary of your convention. The truth is, it's always a great pleasure to be addressing something older than I am. [Laughter] I'm beginning to feel right at home here in New York Harbor. Last year, of course, we celebrated another centenary: that of the Statue of Liberty, the generous lady who for 100 years now has stood watch over this gateway to freedom. It couldn't be more appropriate that a year later we gather here on Ellis Island to celebrate with all of you, the ladies and gentlemen of the fourth estate, who also have stood watch over our freedoms and who have been the guardians of our liberty.

You all know what Thomas Jefferson said of the press: that given the choice of a government without newspapers or newspapers without a government, he wouldn't hesitate for a second to choose the latter. Of course, Jefferson said that before he became President. [Laughter] You know, it reminds me of a particular editor who just wouldn't admit to any mistakes ever in his paper. Everything in his paper had the weight of Scripture. And then early one morning he received a call from an outraged subscriber who protested that his name was listed in that morning's obituary section as having died the previous day. And the editor said,

"And where did you say you were calling from?" [Laughter]

Well, of course, Presidents aren't always entirely objective themselves, like Harry Truman when he read the reviews of Margaret's recital. And then Bill Moyers likes to tell the story of one day at lunch with President Johnson. Bill was saying grace when Johnson bellowed, "Speak up, Bill, I can't hear a darn thing." And Bill looked up and said, "I wasn't addressing you, Mr. President." [Laughter] The fact is, if those of us in government and the press sometimes think of ourselves as antagonists, it's only in the context of transitory events, the rush of daily business that can obscure for us a deeper truth: that we're two complementary institutions, each drawing life and strength from the other, and that together we hold the sacred trust of democratic government and freedom. The life and hope of liberty in an all-too-often threatening world—that is our solemn responsibility.

Mr. Jefferson also wrote that the truth of human liberty is "self-evident," but he knew its success was anything but so. It was only the courage and the will of free men that gave freedom a chance, and once established, it was only their continuing dedication that kept freedom alive and allowed it to prosper. That dream of freedom has a special meaning to us today as we gather here on Ellis Island, beneath the gaze of Miss Liberty. It would be easy to come here and tell once more the story of those who

have passed through these gates, to simply celebrate once again the freedoms Americans enjoy, but my job today is more difficult. It's not about those who came to this land, but it's about the dream that brought them here.

Today another people are in search of that dream, and theirs, too, is an inspiring story, one that must speak to the heart of all who came to this island and cherish the great lady of this harbor. I speak of the people of Central America. And let me begin in 1981. I wonder how many remember that when we first drew attention to the crisis in El Salvador we were met with an almost fatalistic acceptance of Communist victory in that country—if not the whole region. Democracy, it was said, couldn't work in El Salvador. The people were too poor. They had no democratic tradition. They didn't want the chance for democracy that we offered; in fact, their sympathies lay with the Communist guerrillas, we were told.

But then one day the silent, suffering people of El Salvador were offered a chance to choose for themselves—a national election. And despite the bullets, the bombs, and the death threats of the Communists, the people of El Salvador turned out in record numbers, standing in line for hours waiting to vote—to vote for democracy. Congressional observers in that national election told me of a woman who was wounded by rifle fire on the way to the polls, because the guerrillas tried to keep the people from getting there. She refused to leave the line and have her wound treated until after she had voted, and the wait in the line was hours long. One grandmother, as she started to the polls, had been warned by the guerrillas that if she voted she would be killed when she returned from the polls. She told them, "You can kill me, kill my family, kill my neighbors, but you can't kill us all." That was the voice of Central America, the testimony of a people determined to be free.

Much has been achieved since 1981. In a region in which military dictatorships have dominated society, democracy is taking root. A decade ago, only Costa Rica was a democracy. Today Costa Rica has been joined by elected civilian governments in El

Salvador, Guatemala, and Honduras; only Nicaragua remains a dictatorship. But while the trend toward democracy is unmistakable, the threat to freedom and democracy in Central America remains powerful because of Sandinista totalitarianism in Nicaragua. The aspirations of millions for freedom still hang in the balance. The elected leaders of neighboring Central American countries understand this; they have personally told me this. They know the Nicaraguan regime threatens their own future and the stability of this hemisphere. They know that the establishment of a genuinely democratic system in Nicaragua—with the full, guaranteed liberties of free assembly, free speech, and free press—offers the only real hope for the long-term peace and security of the region. They know such a system provides a check and balance on any government, discourages militarism, and ensures the people's right to choose their own destiny.

And that's why the views of our Central American friends and the aspirations of the Nicaraguan people are one and the same: the establishment of full, popularly elected, legitimate democratic rule in Nicaragua. So, what we seek for Nicaragua is simple enough: self-determination for the Nicaraguan people, the right to select their own leaders in free, fair, contested, and regularly scheduled elections. The majority of Central Americans have made this choice. And I have come here today to say to you that the freedom fighters of Nicaragua are fighting for the same thing that the brave woman in El Salvador risked her life for: democracy, real democracy rooted in sound, stable, democratic institutions and ensuring the full range of political liberties and human rights. And I have come here to say that the United States Government pledges to the American people what the freedom fighters have pledged to their own people: that our objective in Nicaragua is clear—free elections.

On the other hand, the Soviets and the Sandinistas have also made a choice, not for democracy, not for a free press, and not for free elections, but for control through force. In 1986 alone, overall Soviet-bloc assistance to the Sandinistas exceeded \$1 billion.

These Soviet shipments have made the small country of Nicaragua an aggressor nation with the largest military machine in Central America, threatening the security of the entire region. Make no mistake, the Soviets are challenging the United States to a test of wills over the future of this hemisphere. The future they offer is one of ever-growing Communist expansion and control. And this is the choice before Congress and our people, a basic choice, really, between democracy and communism in Nicaragua, between freedom and Soviet-backed tyranny.

For myself, I'm determined to meet this Soviet challenge and to ensure that the future of this hemisphere is chosen by its people and not imposed by Communist aggressors. Now, I could go on for hours about our negotiations with the Sandinistas: the Contadora process and the missions of my regional diplomatic negotiator, Philip Habib. But since those first negotiations back in 1979 in which the Sandinistas promised a democratic, pluralistic society, we've seen that these Marxists-Leninists never intended to honor those promises. We've seen them use negotiations time and again simply to delay, to manipulate world opinion. And that's why the choice remains the same: democracy or communism, elections or dictatorship, freedom or tyranny.

The debate in this country over Central American policy has been direct and tough and, yes, even heated at times. While such debate is healthy, we all know that a divided America cannot offer the leadership necessary to provide support and confidence to the emerging democracies in Central America. I do not think there's anyone in Congress who wants to see another base for Soviet subversion, another Cuba, established on American shores; and yet that is what is happening right now. It's now an issue on which all Americans must unite; it's simply too important to become a partisan firefight in the next election. If we cut off the freedom fighters, we will be giving the Soviets a free hand in Central America, handing them one of their greatest foreign policy victories since World War II. Without the pressure of the Central American democracies and the freedom fighters, the Soviets would soon solidify their base in Nicaragua,

and the subversion in El Salvador would reignite. The Nicaraguans have already infiltrated operatives, even into Costa Rica, and they're simply waiting for the signal. Soon the Communists' prediction of a "revolutionary fire"—it's their words—sweeping across all of Central America could come true.

Let us not delude ourselves about the ultimate objective of the Soviets' billion-dollar war in Nicaragua. There is a line attributed to Nikolai Lenin: "The road to America leads through Mexico." I do not intend to leave such a crisis for the next American President. For almost 40 years, America has maintained a bipartisan consensus on foreign policy. The Democratic Party—the party of Franklin Roosevelt, Harry Truman, and John Kennedy—has stood in firm support of democracy and our national security. This is no time for either party to turn its back on that tradition or on the cause of freedom, especially when the threat to both is so close to home.

The survival of democracy in our hemisphere requires a U.S. policy consistent with that bipartisan tradition. So, today I want to describe the framework of that policy, a policy that begins with support for the stable, long-lasting democracy in Costa Rica and the democracies taking root in El Salvador, Guatemala, and Honduras. Many in Congress have stressed the importance of maintaining sufficient levels of economic aid to assist those democracies. I couldn't agree more. That's why additional economic assistance must be approved for the four Central American democracies. Second, close cooperation with our democratic friends in Central America is also essential. And our policy is to continue now, as in the past, diplomatic efforts to achieve a lasting peace.

Earlier this year, President Arias of Costa Rica put forward a proposal aimed at achieving a peaceful settlement of the conflict in Nicaragua. At the center of his proposal is an insistence on democracy in Nicaragua. The United States welcomes this initiative and supports its general objective. At the same time, we have some concerns which need to be resolved, particularly on the sequence of implementation. It's essen-

tial that any cease-fire be negotiated with the full range of the opposition. It is our profound hope that a Central American consensus can be reached soon and that a process leading toward freedom in Nicaragua can go forward. Congress has expressed its support for the efforts of the Central American democracies to achieve a diplomatic settlement to the regional conflict. They've asked for an increased effort by the United States to examine ways for a peaceful conclusion to the civil strife in Nicaragua. This administration has always supported regional diplomatic initiatives aimed at peace and democracy, whether it be through Contadora, through face-to-face meetings with the ruling party in Nicaragua, or through current Central American initiatives. Let me say right now that I will lend my full support to any negotiations that can build democracy throughout Central America without further bloodshed.

You know, I recently received a letter signed by 111 Members of the House of Representatives calling for a major diplomatic effort, "designed"—their words—"designed to achieve peace, security guarantees for all Central American nations, the promotion of democratic institutions, and the removal of Soviet and Cuban military personnel from Nicaragua." While I do not endorse everything in the letter, I certainly join these Congressmen in calling for the restoration of freedom of the press, freedom of religion, freedom to assemble, freedom of speech, and free elections—all of which are now denied by the Government of Nicaragua. Our Senate passed, by a 97 to 1 vote, a resolution stating that a "durable peace is only possible within the context of democratic regimes committed to eradicating extreme poverty, to establishing an effective means for equal opportunity for all elements of society, and free and periodic elections."

So, while Congress gets no argument from me in seeking a peaceful, diplomatic solution in Nicaragua, you can see the key is democracy and that a majority in Congress clearly recognized this. That's why I strongly believe there is a solid basis upon which to build a common effort with Congress to resolve this conflict in Central America. I plan to make every effort to work toward

these goals, and I hope Congress will join with me.

And that brings me to the third element in our policy: our commitment, our support for the freedom fighters, who have pledged their lives and honor to a free Nicaragua. This administration's support of the Nicaraguan freedom fighters in their struggle for peace and democratic government will not change unless the regime in Nicaragua accedes to the democratic aspirations of the Nicaraguan people. Every day the Nicaraguan people are becoming more outraged by the repression of their Communist rulers. The democratic Nicaraguan resistance, including the freedom fighters, today offers the only political alternative to the dictatorship of the past and the communism of today. That alternative is democracy, and it's winning increasing support from the people of Nicaragua.

For as long as I'm President, I have no intention of withdrawing our support of these efforts by the Nicaraguan people to gain their freedom and their right to choose their own national future. In the next few months, I'll be asking Congress to renew funding for the freedom fighters. Again, I stress the danger of the course argued by some in the Congress: that the most expeditious route to peace in Central America is abandoning our commitment to the Nicaraguan freedom fighters. Delays and indecision here at home can only cause unnecessary suffering in Nicaragua, shake the confidence of the emerging democracies in the region, and endanger our own security.

We've come a long way in these last 7 years toward understanding the true nature of the Sandinista regime and its aggressive aims against its own people and its democratic neighbors in Central and South America. A new bipartisan consensus is forming, one that rejects all the old excuses. Last year in an editorial entitled "The Road to Stalinism," the New York Times charged that the "pluralistic revolution" the Sandinistas promised is "hopelessly betrayed." Stated the Times: "Only the credulous can fail to see the roots of the police state now emerging." And then my old friend Tip O'Neill, in the wake of one of the Sandinistas' most blatant acts of aggression, declared

that Daniel Ortega was what he had always said he was: nothing less than a "Marxist-Leninist Communist," intent on provoking a "revolution without borders."

Well, now the question before the American people and the United States Congress is: What do we do about it? Well, despite almost universal acknowledgment of the brutal, totalitarian, and subversive intentions of the Sandinista regime, the renewal of aid to the freedom fighters is still a debated question. But I think there's increasing recognition that the freedom fighters are the only ones who stand between the Sandinistas and their expansionistic aims, that they are the major obstacle to preventing all of Central America from being engulfed in the Communists' "revolutionary fire," that the freedom fighters are the only ones who offer the hope of freedom to the people of Nicaragua and a chance for a stable and long-lasting peace in Latin America. They're worthy of our support.

So, that's why the upcoming vote in Congress on whether to continue providing support to the freedom fighters in Nicaragua may well be the most important vote our representatives cast in 1987, and possibly one of the most important cast in their careers in public office. It's an important question for the press and media, as well. I can't help but note that in the new democracy of El Salvador, Communist-supported guerrillas continue to try to bring down democratic rule. There's little or no media attention. Yet just across a border in Nicaragua, the freedom fighters battle against a totalitarian Communist regime and are assailed far and wide as lawless terrorists or worse. Forgive me, but the story needs perspective. And that perspective is provided by the aggressive nature of Sandinista communism.

Today the people of Nicaragua know from experience the reality of Sandinista communism: the brutality, the poverty, the oppression. And for that reason, they know what we too often forget: that freedom is worth fighting for. It's the same firsthand knowledge of oppression and yearning for liberty that steels the brave Afghan resistance and gives them the courage to take up arms against the overwhelming might of the Soviet military machine, the same

knowledge that inspires the brave Angolans and Cambodians fighting long wars of liberation against their Soviet-backed oppressors, the same knowledge that drove the Grenadian people to embrace the American servicemen liberating their country and throw flowers in their path. And wasn't it something to see graffiti on the walls saying, not "Yankee Go Home," but when I was there, every place I looked, it was saying, "God Bless America."

They were all responding to the call to freedom, a call that has a particular eloquence among these buildings on this island where so many of our ancestors greeted the sight of Liberty with tears of joy. We hear the call of freedom in the work to which you've dedicated your lives, sounding clearly, proudly, every morning and evening in the pages of a free press. Tragically silenced in Nicaragua by the closing of *La Prensa*, we still hear that call in the brave voice of its publisher, Violeta Chamorro, who makes it clear that on the subject of freedom the press can never be agnostic. She said: "Without liberty of the press, there is no representative democracy nor individual liberty nor social justice, only darkness, impunity, abuse, mediocrity, and repression."

Well, that's the choice we face: between the light of liberty or the darkness of repression. When, after terrible voyages of sickness and hardship, our ancestors first spied Liberty's torch, they knew that light shone for them—"those huddled masses yearning to breathe free." For those who've known only the bitterness of want and oppression, that torch burns especially bright.

Today the light of freedom is our sacred keepsake, the promise of America to all mankind. We must forever hold its flame high, a light unto the world, a beacon of hope that extends beyond this harbor, all the way to the jungled hills of Nicaragua, where young men are fighting and dying today for the same liberties we hold dear, all the way into the hearts of people everywhere who fight for freedom.

Thank you all. God bless you.

Note: The President spoke at 4:59 p.m. in the Great Hall on Ellis Island. In his opening remarks, he referred to Dr. Billy

Graham, evangelist; Alvah H. Chapman, chairman of the association and chairman and chief executive officer of Knight-

Ridder, Inc.; and Edward Koch, mayor of New York City.

Statement on the Soviet-United States Nuclear and Space Arms Negotiations May 4, 1987

Since the early days of my administration, our number-one arms control objective has been the achievement of significant and verifiable reductions of offensive nuclear forces, particularly the most destabilizing weapons—fast-flying ballistic missiles.

I have directed our U.S. START negotiator to intensify efforts to reach agreement on reducing strategic offensive nuclear arms by 50 percent. Toward that end, the United States will shortly table a draft START treaty text. This text will reflect the basic agreements on strategic arms reductions reached by General Secretary Gorbachev and myself in our meeting at Reykjavik last October. It will be responsive as well to Soviet concerns expressed subsequent to Reykjavik and will provide ample basis for the creation of a fair and durable START agreement.

Tomorrow marks the opening in Geneva of the eighth round in our negotiations with the Soviet Union on strategic arms reductions and strategic defense issues. With the negotiations on intermediate-range nuclear forces having resumed on April 23, all three negotiating groups of the nuclear and space talks will now be underway. We have made great progress in START. I am firmly convinced that a START agreement is within our grasp, even this year, if the Soviets are prepared to resolve the remaining outstanding issues. And most important among these issues is the need, for the purpose of ensuring strategic stability, to place sublimits on ballistic missile warheads.

We will likewise be making a new move in the defense and space area. Our negotiators return to Geneva ready to place on the negotiating table the new U.S. proposal, which Secretary Shultz discussed during his Moscow meetings. This new proposal incor-

porates the following elements:

—Both the United States and the Soviet Union would commit through 1994 not to withdraw from the Anti-Ballistic Missile Treaty.

—This commitment would be contingent on implementation of agreed START reductions; i.e., 50-percent cuts to equal levels of 1,600 strategic nuclear delivery vehicles and 6,000 warheads, with appropriate sublimits, over 7 years from entry into force of a START agreement.

—The agreement would not alter the sovereign rights of the parties under customary international law to withdraw in the event of material breach of the agreement or jeopardy to their supreme interests.

—After 1994, either side could deploy defensive systems of its choosing, unless mutually agreed otherwise.

To build mutual confidence by further enhancing predictability in the area of strategic defense and in response to stated Soviet concerns, we are also proposing that the United States and the Soviet Union annually exchange data on their planned strategic defense activities.

We also seek to have the United States and Soviet Union carry out reciprocal briefings on their respective strategic defense efforts and visits to associated research facilities, as we have proposed in our open laboratories initiative. In addition, we have proposed establishing mutually agreed procedures for reciprocal observation of strategic defense testing.

Since the April 23 opening of the INF negotiations in Geneva, there have been some new developments in these talks. Last week the Soviet Union presented a detailed draft INF treaty text which now joins our own draft text on the negotiating table. We

are studying carefully the Soviet proposal and requesting the Soviets to clarify some important points in their text. The Soviet proposal appears to reflect the agreements General Secretary Gorbachev and I made at Reykjavik on longer range INF missile limits and to accept the principle of global equality between our two countries in regard to shorter range INF missile systems (SRINF).

Nevertheless, important issues remain to be resolved before an INF agreement can be concluded, including verification and shorter range INF missiles. Verification is a particularly crucial issue. While the Soviet draft indicates that they will seek agreement in some basic areas which we require for effective verification, they have yet to provide the all-important details which are essential to working out an effective verification regime. In addition, they have not met our requirements for inspection of sites suspected of violations of an INF agreement.

Another major issue is that of shorter range INF missile systems. We and our allies continue to insist that an agreement on these systems must be bilateral in nature, global in scope, concurrent with an initial INF treaty, and effectively verifiable. In addition, Soviet efforts to include the missiles of any country other than the United States and Soviet Union are patently unacceptable. We are continuing our close consultations with our allies in Europe and Asia on SRINF and other INF issues.

Our negotiators in Geneva—led by Ambassadors Max Kampelman, Mike Glitman, and Ron Lehman—have done an excellent job, and they continue to have very full agendas. We are well prepared for hard bargaining, and we are resolved to do our part to bring about—for the first time in history—actual reductions in nuclear weapons. It is up to the Soviets now to demonstrate similar determination to move ahead on these important issues.

Despite all the progress that has been made in Geneva, there are events occurring right here at home which could destroy the groundwork which we have laid so carefully in bringing the Soviets back to the negotiating table and getting them to negotiate seriously for the first time on deep reductions in our respective nuclear arsenals. An effort has been made by some Members of the House of Representatives to attach to the defense authorization bill amendments on arms control which would pull the rug out from under our negotiators and undermine our most vital defense programs, such as our Strategic Defense Initiative. And now it seems that some Senators want to move in the same direction.

Let there be no mistake about it: I will veto any bill which cuts back our ability to defend ourselves and leaves the Soviet Union free to continue its military buildup. The United States remains fully committed to achieving deep, equitable, verifiable, and stabilizing reductions in the U.S. and Soviet nuclear arsenals.

Nomination of Joy Cherian To Be a Member of the Equal Employment Opportunity Commission

May 4, 1987

The President today announced his intention to nominate Joy Cherian to be a member of the Equal Employment Opportunity Commission for the remainder of the term expiring July 1, 1988. He would succeed Fred William Alvarez.

Mr. Cherian is currently the director of international insurance law for the Ameri-

can Council of Life Insurance in Washington, DC. Prior to this, he served as the director of legal research for the American Council of Life Insurance, 1979–1982.

Mr. Cherian graduated from the University of Kerala, Kerala State, India (B.A., 1963; bachelor of law, 1965); Catholic University of America (M.A., 1970; Ph.D., 1974); and

George Washington University (M.C.L., 1978). He was born May 18, 1942, in Kerala

State, India. Mr. Cherian is married, has two children, and resides in Wheaton, MD.

Proclamation 5646—International Textile Trade May 4, 1987

To Modify Duty-free Treatment Under the Generalized System of Preferences, the Caribbean Basin Economic Recovery Act, and the United States-Israel Free Trade Implementation Act, to Enable the Monitoring of Textile Agreements and for Other Purposes

*By the President of the United States
of America*

A Proclamation

1. On July 31, 1986, under the authority of section 204 of the Agricultural Act of 1956 (7 U.S.C. 1854), the United States accepted the Protocol Extending the Arrangement Regarding International Trade in Textiles. The Protocol expands the product coverage of the Arrangement to include certain vegetable fiber and silk-blend textiles and textile products that previously had not been under the Arrangement. The United States also concluded a bilateral agreement, the Agreement Relating to Trade in Cotton, Wool, Man-made Fibers, Silk-blend and Other Vegetable Fiber Textile and Textile Products, with Hong Kong. Effective August 1, 1986, the Agreement extended the coverage of an earlier bilateral agreement with Hong Kong to include certain vegetable fiber and silk-blend textiles and textile products.

2. Section 503(c)(1) of the Trade Act of 1974, as amended (the Trade Act) (19 U.S.C. 2463(c)(1)), provides that textile and apparel articles "subject to textile agreements" are not eligible for tariff preferences under the Generalized System of Preferences (GSP). Therefore, I have determined that certain vegetable fiber and silk-blend textiles and textile products now subject to textile agreements should be removed from the list of articles eligible for GSP benefits. Annex I to this Proclamation modifies the Tariff Schedules of the United States (TSUS) (19 U.S.C. 1202) to implement this change in tariff treatment for articles

covered by the listed TSUS item numbers. Furthermore, TSUS items 372.60 and 372.65 now contain certain articles that are subject, and other articles that are not subject, to textile agreements. Accordingly, as indicated in Annex II to this Proclamation, I am acting to modify the TSUS to remove from eligibility under the GSP those articles that have become subject to textile agreements, and to make certain conforming changes in the TSUS.

3. I have determined that the TSUS incorrectly indicates duty-free treatment for articles eligible for entry under certain items in schedule 8 of the TSUS that are otherwise subject to duty under the Agreement on the Establishment of a Free Trade Area Between the Government of the United States of America and the Government of Israel (the Israel Agreement) and under the Caribbean Basin Economic Recovery Act (CBERA) (19 U.S.C. 2701). Therefore, I am acting as indicated in Annex III to this Proclamation to delete the Israel and CBERA duty-free designations in the Rates of Duty Special column corresponding to these items.

4. I have determined that general headnote 3(e)(vii) of the TSUS should be modified as indicated in Annex IV to this Proclamation in order to reflect section 235 of the Trade and Tariff Act of 1984, amending section 213(a) of the CBERA. In addition, I have determined that general headnote 3(e)(vii) should be further modified to correct certain clerical errors in that headnote and to include language that conforms more closely with the underlying text of section 213(b) of the CBERA.

5. I have determined, on the basis of Customs classification practice and after taking into account new statistical information, that certain modifications are necessary in the TSUS to reflect properly the eligibility for GSP benefits of certain articles from

certain beneficiary developing countries. Accordingly, I am acting to modify the TSUS as indicated in Annex V to this Proclamation.

6. In Proclamation 5452 of March 31, 1986, I removed from the list of articles eligible for benefits of the GSP certain mixtures containing ethanol. Through technical error, certain conforming changes and the staged reductions in duty for certain chemicals the product of Israel were omitted. Accordingly, I have determined it is appropriate to modify two chemical items in the Appendix to the TSUS to ensure that appropriate duty treatment for such chemicals is continued. I have further determined that it is necessary to provide for the continuation of scheduled staged reductions in duty for the chemicals that are the product of Israel under the Israel Agreement. Accordingly, I am modifying the TSUS as indicated in Annex VI to this Proclamation.

7. Section 4(b) of the United States-Israel Free Trade Area Implementation Act of 1985 (19 U.S.C. 2112 note) authorizes the President to proclaim the modification of any duty that I determine is required or appropriate to carry out the Israel Agreement in order to "maintain the general level of reciprocal and mutually advantageous concessions with respect to Israel." I have determined that, due to an inadvertence of both parties to the Israel Agreement, the contemplated duty reduction has not been properly implemented with respect to ornamented, knit, swimming suits and other swimwear of man-made fibers, for women, girls, or infants, provided for in TSUS item 384.19. Accordingly, I have determined that the TSUS should be modified to correct this inadvertence and to make certain conforming changes in the TSUS as indicated in Annex VII to this Proclamation.

8. In order to provide for the continuation of duty-free treatment for certain Canadian automotive products that are currently eligible for such treatment under the Automotive Products Trade Act of 1965 (19 U.S.C. 2001 *et seq.*), consistent with the changes to the TSUS that resulted from the enactment of the Trade and Tariff Act of 1984, I have determined it is necessary to modify the article description of TSUS item 685.55, as indicated in Annex VIII to this

Proclamation.

9. I have determined it is necessary to modify the TSUS as indicated in Annex IX to this Proclamation in order to correct clerical errors in the designation of a beneficiary country for purposes of the GSP and the CBERA.

10. I have determined it is necessary to modify two items in the Appendix to the TSUS as indicated in Annex X to this Proclamation to ensure that appropriate duty treatment is accorded these items in the Rates of Duty Special column.

11. I have determined it is necessary to modify the TSUS as indicated in Annex XI to this Proclamation in order to correct an error in Proclamation 5291 of December 28, 1984.

12. Section 604 of the Trade Act confers authority upon the President to embody in the TSUS the substance of the relevant provisions of that Act, of other acts affecting import treatment, and of actions taken thereunder.

Now, Therefore, I, Ronald Reagan, President of the United States of America, acting under the authority vested in me by the Constitution and the statutes of the United States, including but not limited to section 204 of the Agricultural Act of 1956, the Automotive Products Trade Act of 1965, Title V and section 604 of the Trade Act of 1974, sections 211, 213, and 218 of the Caribbean Basin Economic Recovery Act, and sections 4 and 8(b)(2) of the United States-Israel Free Trade Area Implementation Act of 1985, do proclaim that:

(1) The TSUS are modified as set forth in the Annexes to this Proclamation.

(2) The modifications to the TSUS made by the Annexes to this Proclamation are effective on the dates set forth in the Annexes, except that the modifications made by section A of Annex II to this Proclamation with respect to articles eligible for benefits of the GSP is effective with respect to articles both: (i) imported on or after January 1, 1976, and (ii) entered, or withdrawn from warehouse for consumption, on or after August 1, 1986.

(3) Prior proclamations and Executive orders are superseded to the extent inconsistent with this Proclamation.

In Witness Whereof, I have hereunto set my hand this 4th day of May, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 4:22 p.m., May 4, 1987]

Note: The annexes were printed in the "Federal Register" of May 6.

Remarks on Signing the Asian/Pacific American Heritage Week Proclamation *May 4, 1987*

Thank you very much. I bet you didn't know the Rose Garden looked like this. *[Laughter]* Well, today we commemorate the enormous contributions made to the United States by citizens of Asian and Pacific heritage. Coming from California, I've long been aware of the role played by Asian and Pacific peoples in the development of our country. Many came first as laborers—as was true of so many immigrant groups—but then, they took advantage of America's opportunity and excelled in all walks of American life.

Today our citizens of Asian and Pacific descent are admired for their hard work, their commitment to education, and their commercial and scientific genius. In the last century, people spoke of a Protestant work ethic. Well, today no one can miss the fact that there are other cultural-based work ethics, not the least of which is an Asian-Pacific work ethic. At this time, it's my pleasure to announce my intent to nominate as our new Equal Employment Opportunity Commissioner, Joy Cherian. You know him, of course, as the president of the Asian-American Voters Coalition.

Citizens of Asian and Pacific heritage have earned the respect of their fellow Americans and, in signing this proclamation, we underscore this respect and admiration. I received a letter a few weeks ago that gave me a new insight I'd like to share with you. This letter pointed out that someone can move to Greece, live there, and yet never become a Greek; move to Japan and never become a Japanese; France and never become French; and so forth through

all the countries. Yet anyone from any corner of the world can move to America and become an American.

Our fellow Americans did, indeed, come here for freedom and to improve their lot. We rejoice in this and that's why we have ceremonies like this one today. Part of our heritage is this rich diversity that we find all around us. Of course, Americans of Asian and Pacific descent are a unique element in our society. But wasn't that true for every other ethnic group that emigrated to America? Henry David Thoreau, a great American writer-philosopher, once wrote: "We go eastward to realize history and study the works of art and literature. We go westward as into the future, with a spirit of enterprise and adventure." Our citizens of Asian and Pacific descent truly bring East and West together.

I can't help but say—I've said it many times to other groups—call it mysticism if you will, but I have always believed there was some divine plan that put this continent here between the two great oceans to become a haven for all those who had that extra ounce of love for freedom in their hearts and courage to find their way here and build this great force for good in all the world.

And with that said, I'll sign the proclamation. Two of those who authored this proclamation 9 years ago are here with us today. Thank you all very much.

Note: The President spoke at 11:30 a.m. in Room 450 of the Old Executive Office Building.

Proclamation 5647—Asian/Pacific American Heritage Week, 1987 May 4, 1987

*By the President of the United States
of America*

A Proclamation

Like all Americans, those of Asian and Pacific descent share twin heritages—the rich cultural legacy of the lands of their forebears and the liberty that is the birthright of every American. Drawing on the values and traditions of their homelands and the promise of this land of opportunity, Asian and Pacific Americans have long helped build and strengthen our Nation. They have also gallantly defended our country and our freedom in time of war.

Through the years, many of the indelible contributions by Asian and Pacific Americans to our land have come from immigrants. These quiet heroes and heroines have known oppression and poverty in their native lands and have courageously struggled to reach the United States and make a new life for themselves and their children. Their story is America's story, and their spirit is America's spirit.

Every American can be profoundly grateful for the achievements of Asian and Pacific Americans. Their hard work, creativity, and intelligence have inspired their fellow citizens and added new dimensions to our national life.

Now, Therefore, I, Ronald Reagan, President of the United States of America, by virtue of the authority vested in me by the Constitution and the laws of the United States, do hereby proclaim the week beginning May 3, 1987, as Asian/Pacific American Heritage Week. I call upon the people of the United States to observe this week with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this 4th day of May, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 4:23 p.m., May 4, 1987]

Proclamation 5648—National Maritime Day, 1987 May 4, 1987

*By the President of the United States
of America*

A Proclamation

Through the centuries, the American merchant marine has helped our country grow and safeguarded our security. During peacetime, the merchant marine has linked the United States in commerce with trading partners all over the world. In times of war or national emergency, merchant seamen have served with valor and distinction as the lifeline of our armed forces.

Today, the United States is the leader in world trade and the military bulwark of the Free World. The dual roles of the merchant marine in trade and defense remain crucial

to our national interests, so the maritime policy of the United States must always keep it strong and competitive. Every American should give thanks for the merchant marine's legacy of service and sacrifices for our freedom and prosperity and for its continuing contributions to our way of life.

In recognition of the importance of the American merchant marine, the Congress, by joint resolution approved May 20, 1933, has designated May 22 of each year as "National Maritime Day" and authorized and requested the President to issue annually a proclamation calling for its appropriate observance. This date was chosen to commemorate the day in 1819 when the SS

SAVANNAH left Savannah, Georgia, on the first transatlantic steamship voyage.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim May 22, 1987, as National Maritime Day. I urge the people of the United States to observe this day by displaying the flag of the United States at their homes and other suitable places, and I request that all ships sailing under the American flag dress ship on that day.

In Witness Whereof, I have hereunto set my hand this fourth day of May, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 4:24 p.m., May 4, 1987]

Statement by Assistant to the President for Press Relations Fitzwater on the Establishment of a National Commission on AIDS May 4, 1987

Today the President approved the establishment of a national commission on AIDS. He directed his domestic policy staff to work with the Departments and Agencies to develop a charter.

The commission will (1) review research done to date and identify future areas of research that would be needed, (2) assess

the long-term impact on our health care systems, (3) recommend ways to protect Americans who do not have the disease, and (4) suggest comprehensive, practical responses by both the public and private sectors.

The commission will report to the President on a periodic basis.

Statement on the Establishment of a National Commission on AIDS May 4, 1987

AIDS is clearly one of the most serious health problems facing the world community and our health care establishment is working overtime to find a cure. The com-

mission will help us to ensure that we are using every possible public health measure to contain the spread of the virus.

Proclamation 5649—National Correctional Officers Week, 1987 May 4, 1987

*By the President of the United States
of America*

A Proclamation

No group of Americans has a more difficult or less publicly visible job than the brave men and women who work in our correctional facilities. Correctional officers

who work in jails and prisons are currently responsible for the safety, containment, and control of more than 600,000 prisoners. Correctional officers must protect inmates from violence from fellow prisoners, while encouraging them to develop skills and attitudes that can help them become productive members of society after their release.

The general public should fully appreciate correctional officials' capable handling of the physical and emotional demands made upon them daily. Their profession requires careful and constant vigilance, and the threat of violence is always present. At the same time, these dedicated employees try to improve the living conditions of those who are being confined.

It is appropriate that we honor the correctional officers in all our institutions, at all levels of government, for their invaluable contributions to our society.

The Congress, by Public Law 99-611, has designated the week beginning May 3, 1987, as "National Correctional Officers Week" and authorized and requested the President to issue a proclamation in observance of this event.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning May 3, 1987, as National Correctional Officers Week. I call upon all Americans to observe this week with appropriate activities and ceremonies.

In Witness Whereof, I have hereunto set my hand this fourth day of May, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:42 a.m., May 5, 1987]

Note: The proclamation was released by the Office of the Press Secretary on May 5.

Appointment of Dan Crippen To Be Deputy Assistant to the President in the Office of the Chief of Staff

May 5, 1987

The President today announced the appointment of Dr. Dan Crippen to be Deputy Assistant to the President in the Office of the Chief of Staff.

Since January 1985 Dr. Crippen has served as executive director of the Merrill Lynch advisory council. The council is chaired by former Secretary of State William P. Rogers and until recently included Senator Howard Baker. The council is composed of prominent members of the business and political community from around the world who provide advice and support to Merrill Lynch. He served Senator Baker

in the Office of the Majority Leader during the years 1981-1984 as economic adviser and chief counsel. Previously, Dr. Crippen worked at NASA, the budget office of the State of South Dakota, the Brookings Institution, and conducted research on revenue sharing for the Department of the Treasury.

Dr. Crippen graduated from the University of South Dakota (B.S., 1974) and Ohio State University (M.A., 1976; Ph.D., 1981). He was born March 18, 1952, in Canistota, SD. Dr. Crippen is married and resides in Washington, DC.

**Statement by Assistant to the President for Press Relations
Fitzwater on the Soviet-United States Nuclear Risk Reduction
Centers Agreement
*May 5, 1987***

Yesterday representatives of the United States and the Soviet Union concluded 2 days of negotiations on the establishment of Nuclear Risk Reduction Centers. At these meetings the sides reached agreement on the establishment of such centers, which agreement will be referred for final approval to the leaders of both countries.

The delegations were headed by Assistant Secretary of Defense Richard Perle and Special Assistant to the President Robert Linhard for the United States side and Ambassador Alexsei Obukhov for the Soviet side. Agreement to explore the establishment of such centers was reached at the summit between the President and General Secretary Gorbachev in Geneva, November

1985. Senators Sam Nunn and John Warner played a particularly helpful role in the deliberations that led to the President's proposal.

The administration welcomes this agreement as a practical measure that will reduce the risk of conflict between the United States and the Soviet Union, particularly nuclear conflict that might result from accident, misinterpretation, or miscalculation. This agreement complements U.S. efforts in the nuclear and space talks to reach agreement on broad, deep, equitable, and effectively verifiable reductions in nuclear arms, as well as other U.S. efforts to achieve a more stable and secure international environment.

**Nomination of Denis Lamb To Be United States Representative to
the Organization for Economic Cooperation and Development,
With the Rank of Ambassador
*May 5, 1987***

The President today announced his intention to nominate Denis Lamb, of Virginia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be the Representative of the United States of America to the Organization for Economic Cooperation and Development, with the rank of Ambassador. He would succeed Edward J. Streator.

Mr. Lamb served as a staff member, traffic audit bureau (outdoor advertising), and as an editor for the Robert A. Hill Co. (publishing), in New York, 1959–1964. He entered the Foreign Service in 1964 and spent a year training in the Department. He was assigned as vice consul to Fort-de-France, Martinique, 1965–1966. Mr. Lamb then became administrative adviser at the U.S. mission to the Organization for Economic Cooperation and Development

(OECD) in Paris from 1966 to 1969. He then studied for a year at the Massachusetts Institute of Technology in Cambridge. From 1970 to 1974, Mr. Lamb was a systems analyst and computer systems manager, to be followed successively from 1974 to 1977 as science and technology officer, OECD desk officer, and deputy office director, Political-Economic Office, Bureau of European Affairs. He was selected to serve as Executive Assistant to the Deputy Secretary of State from 1977 to 1978. He became deputy chief of mission at the U.S. mission to the European Communities in Brussels, Belgium, from 1978 to 1982, and then returned to the Department as Deputy Assistant Secretary, Trade and Commercial Affairs, until 1986. Since 1986 Mr. Lamb has been Principal Deputy Assistant Secretary in the Bureau of Economic and Business

Affairs.

Mr. Lamb graduated from Columbia University (B.S., 1964) and the Massachusetts Institute of Technology (M.S., 1970). He was

born September 6, 1937, in Cleveland, OH. Mr. Lamb is married, has one son, and resides in Arlington, VA.

Remarks on Signing the Executive Order Establishing the White House Conference for a Drug Free America

May 5, 1987

Thank you all. Members of the Congress, here, and members of the Cabinet and all of you, ladies and gentlemen: It's a pleasure to have you all join us here in the Rose Garden as we kick off the White House Conference on a Drug Free America. I think we see in this conference and in the efforts of Americans across this land a growing commitment to solving the problem of drug abuse in our society.

It's a little bit like a story I like to tell and maybe have told to some of you. Pretend I haven't, if you've heard it. [*Laughter*] But the fellow that took up golf—and he lined one out there and went down and found his ball was sitting right in front of an ants' nest. Got out an iron, and he took a cut at it. Didn't hit the ball at all, but lifted the ant nest into the air—the anthill and about a thousand ants. And he lined up again and took another crack at it, and all he hit was more sand and ant nest. And when he lined up for the third shot, there were two ants down there, and one of them said to the other, "If we want to survive, we'd better get on the ball." [*Laughter*] It comes in handy in occasions like this—this story.

But America is on the ball. We've come a long way from just a decade ago, when it was trendy to talk about recreational drugs that should be decriminalized or simply regulated. We now know what drugs are, and we're not shy about saying it. Drugs are an evil, pure and simple—an evil that destroys lives, steals our children's future, and undermines the foundations of our free society. We've seen a nationwide revolt against this permissive attitude of the past. The catchphrase of the seventies, "Do your own thing," has been replaced in the eighties by "Just say no." And thanks in great

part to the work of a very special lady in my life, there are now, you might be interested to know, something over 12,000 Just Say No clubs in schools across the United States. We've seen antidrug demonstrations, marches, and vigils held all over America, as people confront the crisis of drug abuse head on. And make no mistake, that is exactly what it is—a crisis.

I could go into all the statistics. They are, to put it simply, frightening. But most troubling of all is the testimony of our children themselves. Not just our college students or our high school students or even our junior high students—as early as the fourth, fifth, and sixth grades, students are already identifying drugs as a major problem among their schoolmates. No wonder the conscience of our nation has been shocked, and no wonder that Americans have decided that the time has come as a nation to just say no, to be clearly and firmly intolerant of drug use. And when I say "as a nation," I mean just that. Combating this drug epidemic is the responsibility of every American: parents, teachers, school administrators, employers, workers and union officials, public office holders, and private organizations. And it's a responsibility that many are taking up with dramatic success. Let me cite just a few trail-blazing examples.

Recognizing that simple drug education is not enough, parents and school principals are sending out a no-nonsense message. In Northside High School in Atlanta, for example, principal Bill Rudolph announced a two-call policy. When students are caught with drugs, the first call is to the police, the second is to the parents. And let me say quite frankly here, too, that we're looking to our college administrators to become se-

rious about fighting drug use on our nation's campuses. The time for excuses is over. Our colleges can no longer be neutral on the subject of drugs. Nobody has a right to take illegal drugs. Taking illegal drugs isn't experimenting; it's breaking the law.

Businesses, too, are getting serious and getting tough. Commonwealth Edison, to name one, offers treatment to any of its employees who ask for it. At the same time, they'll fire anyone caught with drugs at work. And the result: Absenteeism is down, and there are fewer accidents on the job. Not only employers but unions, too, have a responsibility to rid the workplace of drugs. At stake is the health, even the lives, of our nation's working men and women.

And finally, I'd like to say something about my old business, movies and the media. A 1985 report in *Parade Magazine* identified 60 major motion pictures, most of which had been made in the previous 5 years, that treated drug use in a positive, upbeat way, including movies that were honored in the Academy Awards. We know the tremendous influence that movies and the media have over young minds. Though some are aware of their special responsibilities and are taking positive steps, it saddens me that my old industry hasn't gotten its act together and really begun to combat drug abuse. The movie industry should be part of the solution, not part of the problem. Perhaps it's time to give a thought to tightening up on that ratings system. It's hard to see why any film promoting drug use should ever be available to minors, under any circumstance. Likewise, our music industry has a responsibility to keep

those who glorify drug use away from minors. I just can't help but think that some of these people who talk about their constitutional right to free speech are really more concerned with their own profits. No one has a constitutional right to sell prodrug propaganda to minors, but parents and communities have a right, indeed they have the responsibility, to protect their children.

As I say, we must no longer be shy in demanding the right of our children, the right of all Americans, to live in a drug-free society. And the work of this Conference will be a major step forward in initiating and organizing America's antidrug campaign at every level. The White House Conference will be a continuing opportunity for citizens to share their ideas and experiences in order to vigorously and directly attack drug abuse at all levels. It will review the Nation's progress, assess what works and why, and reinvigorate our national strategy to stop the use of illegal drugs.

And I am particularly pleased to be naming Lois Haight Herrington as Chairman of the Conference. Lois has had a distinguished career and an extraordinary record working with problems extending from child safety to crime prevention, nationally and internationally. And I know that, in more ways than one, she certainly doesn't lack in energy.

So, now I've talked maybe too much, and it's time for me to get over and sign that statement there. And now, as the little girl said to me, I'll go back and go to work. [Laughter]

Note: The President spoke at 1:20 p.m. in the Rose Garden at the White House.

Executive Order 12595—White House Conference for a Drug Free America

May 5, 1987

By the authority vested in me as President by the Constitution and statutes of the United States of America, including Sections 1931-1937 of Public Law 99-570 ("the Act"), and to establish and set forth the

functions of the White House Conference for a Drug Free America, it is hereby ordered as follows:

Section 1. Establishment and Purposes. (a) There is established the White House Con-

ference for a Drug Free America within the Executive Office of the President. The Conference will bring together knowledgeable individuals from the public and private sector who are concerned with issues relating to drug abuse education, prevention, and treatment, and the production, trafficking, and distribution of illicit drugs.

(b) The purposes of the Conference are to:

(1) share information and experiences in order to vigorously and directly attack drug abuse at all levels—local, State, Federal, and international;

(2) bring public attention to those approaches to drug abuse education and prevention which have been successful in curbing drug abuse and those methods of treatment which have enabled drug abusers to become drug free;

(3) highlight the dimensions of the drug abuse crisis, to examine the progress made in dealing with such crisis, and to assist in formulating a national strategy to thwart sale and solicitation of illicit drugs and to prevent and treat drug abuse;

(4) examine the essential role of parents and family members in preventing the basic causes of drug abuse and in successful treatment efforts; and

(5) focus public attention on the importance of fostering a widespread attitude of intolerance for illegal drugs and their use throughout all segments of our society.

(c) The members of the Conference shall be appointed by the President, who shall:

(1) designate the heads of appropriate Executive and military departments and agencies to participate in the Conference;

(2) provide for the involvement in the Conference of other appropriate public officials, including Members of Congress, Governors, and Mayors; and

(3) provide for the involvement in the Conference of private entities, including appropriate organizations, businesses, and individuals.

(d) An Executive Director of the Conference shall be appointed by the President and is delegated the authority to appoint other directors and personnel for the Conference and to make determinations, under Section 1936 of the Act, regarding the number of and compensation of such em-

ployees as may be required for the purposes of meeting the responsibilities of the Conference and within the limitations of the budget authority available to the Conference. The Executive Director is authorized to undertake such activities as he may deem necessary to carry out the purposes of the Conference and to prepare for meetings of the Conference members.

(e) A Managing Director of the Conference will be designated to organize and manage the operation of the Conference and to perform such functions as the Executive Director may assign or delegate, and shall act as Executive Director during the absence or disability of the Executive Director or in the event of a vacancy in the office of Executive Director.

(f)(1) The Executive Director of the Conference shall be compensated at a rate not to exceed the rate of basic pay then currently paid for level III of the Executive Schedule (5 U.S.C. 5314).

(2) The Managing Director of the Conference shall be compensated at a rate not to exceed the maximum rate of pay then currently paid for GS-18 of the General Schedule (5 U.S.C. 5332).

Sec. 2. Functions. (a) The Conference shall specifically review:

(1) the effectiveness of law enforcement at the local, State, and Federal levels to prevent the sale and solicitation of illicit drugs and the need to provide greater coordination of such programs;

(2) the impact of drug abuse upon American education;

(3) the extent to which Federal, State, and local programs of drug abuse education, prevention, and treatment require reorganization or reform in order to better use the available resources and to ensure greater coordination among such programs;

(4) the impact of current laws on efforts to control international and domestic trafficking of illicit drugs;

(5) the extent to which the sanctions in Section 481 of the Foreign Assistance Act of 1961 (22 U.S.C. 2291) have been, or should be, used in encouraging foreign states to comply with their international responsibilities respecting controlled substances;

(6) the circumstances contributing to the

initiation of illicit drug usage, with particular emphasis on the onset of drug use by youth; and

(7) the potential approaches and available opportunities for contributing to specific drug free segments of society, such as public transportation, public housing, media, business, workplace, and other areas identified by the Conference.

(b) The Conference shall prepare and transmit a report to the President and the Congress. The report shall include the findings and recommendations of the Conference as well as proposals for any legislative action necessary to implement such recommendations. During the three-year period following the submission of the final report of the Conference, the President will report to the Congress annually on the status and implementation of the findings and recommendations of the Conference.

Sec. 3. Administration. (a) The heads of Executive agencies, to the extent permitted by law, shall provide the Conference such information with respect to drug abuse law enforcement, interdiction, and health-related drug abuse matters, including research, as it may require for the purpose of carrying out its functions.

(b) All Federal departments, agencies,

and instrumentalities are authorized to provide such support and assistance as may be necessary to facilitate the planning and administration of the Conference.

(c) Upon request by the Executive Director, the heads of the Executive and military departments are authorized to detail employees to work with the Executive Director in planning and administering the Conference without regard to the provisions of 5 U.S.C. 3341.

Sec. 4. General. (a) The Executive Director is authorized to procure contractual services as necessary to support the purpose and functions of the Conference and other services, as authorized by title 5 U.S.C. 3109.

(b) Notwithstanding any other Executive order, the Administrator of General Services and the Office of Administration, Executive Office of the President, on a reimbursable basis, may provide such administrative services as may be required.

RONALD REAGAN

The White House,
May 5, 1987.

[Filed with the Office of the Federal Register, 11:28 a.m., May 6, 1987]

Appointment of Lois Haight Herrington as Chairman and Executive Director of the White House Conference for a Drug Free America May 5, 1987

The President today announced his intention to appoint Lois Haight Herrington to be Chairman and Executive Director of the White House Conference for a Drug Free America. This is a new position.

Mrs. Herrington served as Assistant Attorney General of the United States, March 1983–October 1986. She headed the Office of Justice Programs in the Department of Justice and previously served as Chairman of the President's Task Force on Victims of Crime, which issued its final report in January 1983. Mrs. Herrington serves as the President's National Correspondent to the United Nations Congress on the Prevention

of Crime and Treatment of Offenders. She is also coordinator and a member of the President's Child Safety Partnership. Mrs. Herrington is a member of the National Sheriffs Association's Standards, Ethics, Education, and Training Committee and a member of the Advisory Board of Crime Stoppers International. She is also a member of the Advisory Committee on Rape Prevention and Control and the National Advisory Board on Child Abuse and Neglect, both of the Department of Health and Human Services; and a member of the Victims Committee, Criminal Justice Section, of the American Bar Association. Mrs.

Herrington served as chairman of the National Crime Prevention Coalition, a member of the Federal Coordinating Council on Juvenile Justice and Delinquency Prevention and the Advisory Board of the National Institute of Corrections. She recently served as a member of the United States delegation to the seventh United Nations Congress on the Prevention of Crime and Treatment of Offenders in Milan, Italy, and

a member of the U.S. delegation to the United Nations Decade for Women in Nairobi, Kenya. Mrs. Herrington is a member of numerous professional organizations.

Mrs. Herrington graduated from the University of California, Davis (A.B., 1961) and the University of California, Hastings College of the Law (LL.B. and J.D., 1965). She is married, has two children, and resides in Arlington, VA.

Informal Exchange With Reporters on the Iran Arms and *Contra* Aid Controversy

May 5, 1987

Q. Mr. President, Senator Inouye—

Q. Can you come talk to us about the hearings?

The President. What?

Q. Hearings. Are you worried about—

Q. —hearings may reveal, sir?

The President. I'm waiting to hear as much as anyone else. I've told you over and over again everything that I know about all that took place, and I'm waiting to find out some—

Q. Senator Inouye says you ought to check your memory about your statement that you knew nothing about illegal fund-raising within your administration, sir.

The President. There was no illegal fund-raising as far as I know at this point. I knew, as everyone else, I think, knew that out there in the country there were people that were contributing and, privately and in groups, giving money to aid the *contras*. But I know of—

Q. Military aid, sir?

Q. With weapons, sir?

The President. I don't know how that money was to be used, and I have no knowledge that there was ever any solicitation by our people with these people.

Q. Did you know what Colonel North was doing? Did you know he was coordinating this?

The President. No.

Q. What about the third countries, sir? Why were they contributing money? Why would another—

The President. You will find that within the law—the law specified that the Secretary of State was to encourage our fellow democracies to give aid to the freedom fighters.

Q. Including for military aid, sir?

The President. It was up to however they wanted to do it.

Q. Are you willing to testify if asked?

The President. What?

Q. Are you willing to testify before the select committee if asked?

The President. I have to wait and find out.

Q. How do you feel as the hearings are beginning, sir? What is your expectation?

The President. I'm hopeful that I'm finally going to hear some of the things that I'm still waiting to learn about.

Q. But don't you know what you did? I mean, do you have to have someone else tell you what you did? Don't you know what you did?

The President. I know what I did, and I have told all of you repeatedly what I did. And now I'm going to quit talking to you and go in the office.

Note: The exchange began at 1:29 p.m. in the Rose Garden at the White House. Senator Daniel K. Inouye of Hawaii was chairman of the Senate Select Committee that investigated the controversy. Oliver North was a former member of the National Security Council staff.

Proclamation 5650—National Older Americans Abuse Prevention Week, 1987

May 5, 1987

*By the President of the United States
of America*

A Proclamation

The maltreatment of older Americans—physical and emotional abuse, neglect, financial victimization, and other denials of human dignity—is a tragedy that affects citizens of every regional, economic, religious, and racial grouping. Victims of this abuse are often among the most helpless and vulnerable members of society, and many cases go unreported to the proper authorities. All of us should realize our responsibility to provide for the safety and well-being of older Americans.

This responsibility means, of course, that each of us must protect the older people we know. But it also means that we must safeguard the lives and the dignity of every elderly person in our communities. That can be accomplished when concerned and determined citizens, families, church and civic groups, and government officials formulate much-needed programs for prevention, intervention, and public awareness. It can also be achieved through devoting ourselves to the promotion of strong family life and personal morality, and by reminding ourselves that our God-given, unalienable

rights to “Life, Liberty and the pursuit of Happiness” come with no age limits whatever.

The Congress, by Senate Joint Resolution 57, has designated the period from May 3 through May 10, 1987, as “National Older Americans Abuse Prevention Week” and authorized and requested the President to issue a proclamation in observance of this event.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the period from May 3 through May 10, 1987, as National Older Americans Abuse Prevention Week. I call upon all government agencies and the people of the United States to observe this week with appropriate programs, ceremonies, and activities.

In Witness Whereof, I have hereunto set my hand this 5th day of May, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:27 a.m., May 6, 1987]

Nomination of Fred William Alvarez To Be an Assistant Secretary of Labor

May 5, 1987

The President today announced his intention to nominate Fred William Alvarez to be an Assistant Secretary of Labor (Employment Standards Administration). This is a new position.

Since 1984 Mr. Alvarez has been serving as the Commissioner of the Equal Employment Opportunity Commission. Prior to

this, he was an attorney with the firm Sutin, Thayer & Browne, 1980–1984.

Mr. Alvarez graduated from Stanford University (B.A., 1972) and Stanford University School of Law (J.D., 1975). He was born June 11, 1949, in Las Cruces, NM. Mr. Alvarez is married, has two children, and resides in McLean, VA.

Appointment of John M. Albertine as a Member of the Aviation Safety Commission, and Designation as Chairman

May 6, 1987

The President today announced his intention to appoint John M. Albertine to be a member and Chairman of the Aviation Safety Commission. This is a new position.

Since 1986 Mr. Albertine has been vice chairman of Farley Industries in Washington, DC. Previously he was president of the

American Business Conference, 1980–1986.

Mr. Albertine graduated from Kings College (B.S., 1966) and the University of Virginia (Ph.D., 1975). He was born May 1, 1944, in Hazelton, PA. Mr. Albertine is married, has three children, and resides in Fredericksburg, VA.

Appointment of Julie D. Belaga as a Member of the National Advisory Council on Adult Education

May 6, 1987

The President today announced his intention to appoint Julie D. Belaga to be a member of the National Advisory Council on Adult Education for the remainder of the term expiring July 10, 1988. She would succeed Donald F. Shea.

Mrs. Belaga is currently a fellow at Har-

vard University. Previously she was a State representative in the Connecticut House of Representatives, 1976–1984. Mrs. Belaga graduated from Syracuse University (B.S., 1952). She was born July 12, 1930, in Boston, MA. Mrs. Belaga is married, has three children, and resides in Westport, CT.

Statement on the Death of Former Director of Central Intelligence William J. Casey

May 6, 1987

His nation and all those who love freedom, honor today the name and memory of Bill Casey. In addition to crediting him with rebuilding America's intelligence capability, history will note the brilliance of his mind and strategic vision, his passionate commitment to the cause of freedom, and his unhesitating willingness to make personal sacrifices for the sake of that cause and his country.

Nancy and I have lost a long-time sup-

porter, a wise and unselfish counselor, and a good friend. In extending our condolences to Sophia, Bernadette, and other members of the family, we pray that the knowledge of his countrymen's respect and admiration, as well as the hope inherent in his own deep religious faith, will provide them comfort and consolation. America has lost a patriot, and the cause of freedom, an able champion.

Message to the Congress on Energy Security May 6, 1987

To the Congress of the United States:

Pursuant to Section 3102 of the Consolidated Omnibus Budget Reconciliation Act of 1986 (Public Law 99-509; 100 Stat. 1889), I am transmitting my views and recommendations on the energy and national security concerns related to oil import levels. These views and recommendations take into consideration the findings in "Energy Security: A Report to the President of the United States." That report was prepared under the direction of Secretary of Energy John S. Herrington at my request and in satisfaction of requirements of Public Law 99-509.

My Administration has done a great deal to build the Nation's foundation for long-term energy security and to strengthen the domestic oil industry. Price and allocation controls on oil have been eliminated; the Strategic Petroleum Reserve (SPR) has been increased nearly fivefold to more than 500 million barrels and, with our encouragement, our allies have built up their stockpiles by about 350 million barrels; several important energy tax incentives were retained in the Tax Reform Act and full-cost accounting provisions for independent producers were preserved; and I have recently forwarded to the Congress a \$2.5 billion clean coal initiative. Because of these actions, the United States is now capable of withstanding a supply interruption comparable to the 1973 and 1979 interruptions without experiencing the same economic distress.

More remains to be done. Secretary Herrington's recent report on energy security points out three major concerns: (1) our increasing dependence on imported oil; (2) the sudden decline in oil prices in 1986, which has harmed significant segments of the U.S. petroleum industry; and, (3) the serious implications for national security raised by both of these events. The Department of Energy study concludes that by the mid-1990s we may be importing more than half our oil. Capital expenditures for oil exploration and development have dropped

significantly, as has employment and U.S. oil production. Coupled with this production decline is increased consumer demand for oil, which together have resulted in a rise of one million barrels per day in oil imports. In recent months, while market prices have rebounded to some extent, the industry remains under pressure and the outlook is uncertain.

We must take steps to better protect ourselves from potential oil supply interruptions and increase our energy and national security. My goals in this area are to:

- maintain a strong domestic oil industry;
- increase our domestic stockpiles, which we can draw down in the event of a supply interruption;
- expand the availability of domestic oil and gas resources;
- continue conservation and progress toward diversification of our energy resources; and
- promote among our allies the importance of increasing their stockpiles.

I have already proposed a number of significant steps on which the Congress has failed to act. If these policies had been in place, our domestic oil industry would not be so seriously impaired today. I again urge the Congress to act quickly in adopting my proposals to improve our energy security and strengthen the domestic oil industry, including:

- repeal of the Windfall Profit Tax;
- comprehensive natural gas reform, including wellhead price decontrol, mandatory contract carriage and demand restraint repeal;
- approval of the Department of the Interior's five-year offshore oil and gas leasing plan;
- permitting environmentally sound energy exploration and development of the Arctic National Wildlife Refuge; and
- ensuring the future viability of nuclear power through nuclear licensing reform, reauthorization of the Price-Anderson Act, and progress in development of a nuclear waste repository.

Secretary Herrington and I will continue to push hard for higher levels of oil stockpiles among our allies, particularly at the Ministerial Meeting of the International Energy Agency and the Venice Economic Summit. The Vice President is also leading the Task Force on Regulatory Relief to look at unneeded regulatory barriers to greater energy security, including evaluating regulatory changes to facilitate the use of alternative fuels for the transportation sector.

In addition, today, I am urging the Congress to consider several steps that will lead to more exploration and development, reduce early well-abandonment, and stimulate additional drilling activity. I am suggesting the Congress consider two tax changes of a relatively technical nature: increasing the net income limitation on the percentage depletion allowance from 50 percent to 100 percent per property; and repealing the transfer rule to permit use of percentage depletion for proven properties that have changed ownership. These changes will be of significant value but avoid reopening basic issues considered in tax reform. To continue our efforts to build a stockpile protecting us against supply interruptions, I am prepared to support an SPR fill rate of 100,000 barrels per day,

which will achieve by 1993 my goal of an SPR of 750 million barrels, provided that budget offsets are made available to cover the higher costs of this fill rate. I also am reducing the minimum bid requirement for Federal offshore leases from \$150 per acre to \$25 per acre, which will encourage exploration and development by reducing the up-front costs.

I believe all these measures are important steps toward ensuring that our Nation has a strong domestic oil and gas industry and substantial protection against oil supply interruptions. They would, taken together, increase production and make a significant contribution to our national security interests.

I am also instructing the Secretary of Energy to provide, through the Domestic and Economic Policy Councils, periodic assessments of our energy security risks. It may be necessary to consider a variety of options for encouraging exploration and production if our U.S. industry continues to be diminished and national security risks increase. I will consider further actions as warranted.

RONALD REAGAN

The White House,
May 6, 1987.

Remarks at the Harley-Davidson Company Employee-Management Forum in York, Pennsylvania May 6, 1987

The President. I have to tell you, this has been very exciting to see all of this. And at the same time, I had a great feeling of familiarity, because as I was telling you earlier, during my 8 years on a television program called "The GE Theater," I would spend about 10 or 12 weeks every year visiting GE plants. And I met 250,000 employees in those years, and I think it was 139 plants in 39 States. And I came to the conclusion then if the people who are the customers out there could see what goes into the products they take for granted, they'd be deeply moved and very excited.

I want to thank you for this excellent presentation. And when I hear all this talk about how unbeatable some foreign competitors are, I am reminded of a little incident in World War II. At my age, I'm always being reminded of things like this. *[Laughter]* It was General Douglas MacArthur and Admiral Chester Nimitz, and during one of the campaigns in the South Pacific, they were changing ships and the waves overturned the small boat they were in. And Admiral Nimitz called out to General MacArthur for help, and the General finally got to him and held him above

water, so he could breathe, until they were finally rescued. And when it was all over, the Admiral said, "Doug," he said, "Please, don't ever tell my men I can't swim." And Doug said, "I won't tell them that you can't swim if you won't tell them I can't walk on water." [Laughter]

But I've heard a lot about this comeback before coming here today. But what's impressed me most was not any one thing—not changes in financing or marketing or in the product or the way it's made, but something much bigger. And it's been very evident here in what I've been hearing right now: that Harley-Davidson is moving forward because Harley-Davidson has become a team. You're working together; there's literally a hotline between the factory floor and the top office; and ideas are coming from every part of the company. You work in small teams to figure out how to do things better. And this isn't a top-down company; this is a company in which everyone is standing shoulder to shoulder on the front line—everyone. It didn't take huge, new investments, as you've pointed out here today, in exotic technologies to put Harley-Davidson back on top; it just took a huge, new investment of faith in each other.

You know, listening here, I can't help but think that there's something familiar about the source of your success. It sounds a lot like what was at the bottom of another success story. Now, we all know that story, but maybe sometimes we get a little indifferent and let it slip from our minds. It concerns people from every corner of the Earth. They had a little more drive, and they dreamed a little more than others around them, and they had that little extra ounce of courage to leave everything behind and make a long, difficult journey across the ocean to a new continent, a new world, and where they built a new nation called America. And the strength that comes when free men and women join together and work for a common purpose—it's a story as old as our great nation and as young as the reborn Harley-Davidson.

And, yes, it's the key to America's success

in the competitive world of the 21st century. For the last few months, I've been talking about how we've got to begin preparing for the 21st century. I've talked about quality in education, about training for the jobs of the future, and about how America will continue to grow. The economy of the 21st century will be an international economy where American companies like Harley will compete on every continent and in every country.

Now, some want to hide from that world, not to compete, just to throw up walls and protection and hide. But if we really look back, America has never been afraid of a challenge. We've always been ready to compete and always been ready to win. And I think you have proven, and it's confirmed, all that I had heard before I got here, and that is that you are ready still to compete, to not ask for quarter, and to go forward.

And I just thank you for all you've done. I was president of my own union one time. [Laughter] God bless you. This is what it's all about, and you've shown it. And I hope that this is a seed that spreads throughout American industry.

Moderator. We're pleased to have you.

The President. Well, pleased to be here.

Reporter. Mr. President, could we ask a certain—for a comment on the passing of your old friend, Bill Casey?

The President. Well, I have issued a statement that you all have, and there's no question about our sorrow about that. We've lost a very devoted friend and great public servant.

Q. [Inaudible]—Mr. Secord is saying that Mr. Casey was involved in the *contras*.

The President. I'm not going to comment on that.

Q. [Inaudible]—arms for hostages deal, Mr. President? If he thought so, how come the White House didn't know?

The President. I'm not going to answer, Bill [Bill Plante, CBS News].

Note: The President spoke at 2:09 p.m. in the cafeteria at the Harley-Davidson plant.

Remarks to Harley-Davidson Company Employees in York, Pennsylvania

May 6, 1987

Thank you, Vaughn Beals, and thank all of you very much. And let me answer that question about Nancy. *[Laughter]* The government gets one employee free: the First Lady. *[Laughter]* You've heard about politics making strange bedfellows; I found out politics, with their scheduling, can kind of break up some bedfellows. *[Laughter]* They've got her on another schedule today.

But let me say a special thank you, also, for that great music to the William Penn High School Symphony Band. I was a drum major of a band like that once in my hometown. We were marching in a Memorial Day parade, and the fellow on the horse that was supposed to be leading the parade rode back down the line to see how everything was coming along. And suddenly, I began to think the music was getting rather faint—and I'm pumping that baton. And the man on the horse caught up just in time to turn the band. They turned the corner, and I was going down the street all by myself. *[Laughter]*

Well, after being shown around this plant, it seems to me I've come to hog heaven. One thing's for sure: When it comes to motorcycles, this is the home of the all-American A-team. Of course, that's not what a lot of people were saying about you just a few years ago. Some people said that you couldn't make the grade. They said you couldn't keep up with foreign competition. They said that Harley-Davidson was running out of gas and sputtering to a stop. Well, the people who say that American workers and American companies can't compete are making one of the oldest mistakes in the world. They're betting against America itself, and that's one bet no one will ever win. You know, those people who place their bets on someone other than you is a little bit like the fellow that was going to the races. And for three nights he dreamed of the number five. So, when he got to the track, he opened a program to the fifth race, and he looked down to the number five horse. And the horse's name

was Five-by-Five. Well, that did it. He bet the whole bundle on that horse, number five in the fifth race, and the horse came in fifth. *[Laughter]*

Well, while others may bet on horses, I'll put my bet on you and on America. And that was what we did 4 years ago. You asked us to give you breathing room so you could finish getting into shape to meet unexpectedly strong foreign competition. It was like giving a boxer a few extra weeks of training before a fight. We looked at you carefully. We asked, "Is Harley-Davidson really serious about getting into shape?" And the answer came back a resounding "yes." Harley was hard at work with new products and finding better ways to make better bikes. And Harley's shapeup was not relying just on the top management. Everyone from the boardroom to the factory floor was involved. No matter how we looked at it, we could see that everyone at Harley-Davidson was serious about getting into fighting shape. So, when I was told that you wanted a little more time to train, I said, "Yes, kick on the engine, Harley, and turn on your thunder!"

And that's just what you did. You cut the hours of work needed to make a motorcycle by one-third. You cut inventory by two-thirds. You tripled the number of defect-free machines you shipped. And with productivity up, you kept price increases small, and on some bikes even lowered prices. You expanded your product line from 3 models 10 years ago to 24 today and once again became a leader in developing new motorcycle technology. And each year, on virtually every continent of the Earth, you're selling more and more bikes compared to your competition. You're the only major motorcycle manufacturer in the world to have increased production last year. Like America, Harley is back and standing tall.

Last weekend I read a statement by Harry Smith, the president of Local 175 of the International Association of Machinists,

and said—who said—he said, I didn’t—he said: “The tariffs helped to slow up the imports, and that helped us. But the backbone of our comeback as a company is our people here. They have a lot of skill and craftsmanship, and they went through a lot of hardship to get the company where it is today.” Well, this is what we need to ensure a more competitive future for America, and this is precisely what I was talking about when I called for a “quest for excellence” in my State of the Union Address.

Earlier this year, I said it was time to begin a great American discussion about our future and how to prepare America for the world of the year 2000 and beyond. What kind of a country will we pass to our children? It includes being sure we make the best use of our science and technology; improving the climate for entrepreneurship and growth; working to build a fair, open, and expanding world economy; and finally, making sure that American education is the best in the world. Yes, it’s a challenge for every American, the challenge of preparing America for the next century, and it’s a challenge being met by those of you here at Harley-Davidson.

You know, when I heard your can-do spirit and then saw it confirmed here in my brief tour of your plant, it reminded me of something having to do back in a younger day of America, when Americans weren’t the most popular people back overseas in the home countries from whence all of us sprang, because, I guess, when we did go back, we were a little brash as tourists. And this story has to do with an elderly couple who made their first trip back over there to the old country. And one point in their sightseeing, they were down below Mount Vesuvius—you know, Pompeii was buried in ashes from the explosion there—and the guide was telling them at great length about the force and the power and the heat energy and so forth—all that Mount Vesuvius had. And in the midst of all of this talk about Mount Vesuvius, the old boy turned to his wife and says, “Hell, we got a volunteer fire department home put that thing out in 15 minutes.” *[Laughter]*

Well, you may not be putting out the fire of volcanoes, but you’ve shown you’re just as effective. Just a few weeks ago, a year

ahead of schedule, you said to us you didn’t need any more breathing room. You were ready to take on the world. And in doing that, you gave some folks in Washington an important lesson about how we go about buying and selling with other nations. You see, we’ve shaken hands on an agreement with most of the other nations of the world, an agreement that sets the rules for international trade. We have problems, of course, with some of those nations—the ones that don’t let us sell to their people as freely as they sell to ours. But the agreement, called the GATT agreement—that’s the General Agreement on Tariffs and Trade—gives us ways of dealing with those problems, and it also gives us ways of giving industries the kind of breathing room we gave you. And if they’re as serious as you were about shaping up—now we’re about to begin worldwide talks on how to make this agreement even stronger.

Because of the GATT agreement, when you were ready to sell more bikes around the world, no one stopped you. But now there are some in Congress who say, in effect, that the United States should break its word with the other countries. They say American workers need to run and hide from foreign competition, even if that means other countries will strike back by not letting you sell your bikes to their people. Well, Harley-Davidson has shown how wrong that is and what the truth is. American workers don’t need to hide from anyone. America does best when America sticks by its word. And American workers can take on the best in the world, anywhere, anytime, anyplace. No one is better than you are.

You may have heard that my temperature’s up about some trade legislation that’s before the Congress right now. On TV the other night, it was called one of the toughest trade bills of this century. I remember the last time we had a so-called tough trade bill. It was called Smoot-Hawley, and they said it would protect American jobs. Instead, after other nations were through retaliating, it helped us—or it helped give us, or at least deepened, the Great Depression of the 1930’s. I’m probably the only one here that’s old enough to remember that. I

was looking for a job then. [Laughter] Twenty-five percent were unemployed, including me.

The Harley-Davidson example makes a very strong statement about how government, through the judicious application of our trade laws, can help the best and the brightest in American management and labor come together in ways that will create new jobs, new growth, and new prosperity. Government's role, particularly on the trade front, should be one of creating the conditions where fair trade will flourish, and this is precisely what has been done here. Our trade laws should work to foster growth and trade, not shut it off. And that's what's at the heart of our fair trade policy: opening foreign markets, not closing ours. Where U.S. firms have suffered from temporary surges in foreign competition, we haven't been shy about using our import laws to produce temporary relief. Now, there are those in Congress who say our trade policies haven't worked, but you here at Harley-Davidson are living proof that our laws are working. The idea of going to mandatory retaliation and shutting down on Presidential discretion in enforcing our trade laws is moving toward a policy that invites, even encourages, trade wars. It's time to work to expand the world market, not restrict it.

Today, as many as 10 million American jobs are tied to international trade, including many jobs right here at Harley. For more than a century, when America's trade with the world has grown, America has created more jobs. When trade has declined, so have the number of jobs. So, when it comes to making new jobs, free and fair international trade is America's big machine. It's time to gun the engines, not put on the brakes. Your chairman, Vaughn Beals, summed it up when he said, and I will quote him: "We're sending a very strong message to our competitors and to the international industrial community that U.S. workers, given a respite from predatory import practices, can become competitive

in a world market."

The best way to meet foreign competition is also the right way: by sticking to our agreements with other countries and not breaking our promises, by making sure other countries also stick to their agreements with us, and by being the best. As America prepares for the 21st century, you've shown us how to be the best. You've been leaders in new technology. You've stuck by the basic American values of hard work and fair play. And I've heard that you have outstanding schools here in York that are teaching those values, too. I can't say that everywhere I've been, because we're still having a job getting some of our schools to catch up. Most of all, you've worked smarter, you've worked better, and you've worked together. And that's the American way.

You know, I received a letter not long ago. And I've been sharing this with some of your fellow Americans from podiums like this, because this letter pointed out something that I don't think any of us have ever stopped to think about. This man said that you can move to Greece, live in Greece, but you can't become a Greek. You can move to Japan, live there, but you can't become Japanese; or France and become a Frenchman; or German—or become a—all of these things. But he said, everybody or anybody from any corner of the world can come to America and become an American.

Well, as you've shown again, America is someplace special. We're on the road to unprecedented prosperity in this country—and we'll get there on a Harley! Thank you. God bless you.

Note: The President spoke at 2:27 p.m. in a warehouse at the Harley-Davidson plant. He was introduced by Vaughn Beals, chairman of the board. In his opening remarks, the President responded to an audience member who shouted "Where's Nancy?" Following his remarks, the President returned to Washington, DC.

Remarks to Members of the American Association of Editorial Cartoonists May 7, 1987

The President. Etta Hulme, members of the Association of American Editorial Cartoonists, distinguished guests, it's a pleasure to welcome America's editorial cartoonists here to the White House this morning. I know cartoonists are an independent lot who often march to the beat of a different drummer. Of course, sometimes when I see the way some of you draw me, I wonder if it's just a different drummer you're marching to. Maybe it's the "Tune Tones." [Laughter] But it's a tribute to the hard work and careful organizing of Etta and her staff that all of you free spirits have arrived here today at the right time and in the right place. Next week I want Etta to show you where you should arrive on the question of *contra* aid. [Laughter] Anyway, to Etta and to all of you, let me just say: Thank you for coming.

As you know, this is the second time that we've had editorial cartoonists here during this term. Last May I had some of you over for lunch. We're still looking for the missing silverware. [Laughter] And I'd like to know who drew the graffiti on the hall wall. [Laughter] I don't want you to erase it; I just want you to sign it. [Laughter] But cartoonists occupy, seriously, a special place in my heart. I hope Gary Trudeau will remember that it's heart, not brain, heart. [Laughter] Still, as you may have heard, I like to draw cartoons and caricatures myself. So, when I see a particularly good one in the newspapers, particularly one of myself, I want to throw a bouquet—or something. [Laughter] Don't get me wrong; I don't mean that personally. After all, for me, politics is forgive and, as you may have heard, sometimes forget. [Laughter]

Seriously though, one thing that I, and no politician, will ever forget is the importance of the work that each of you does. Cartoons show America politics from a special angle—irony, wit, satire, outrage, as well as, occasionally, sympathy and affection. These are the qualities that animate your work. And it's these special qualities, captured in

your illustrations, that have become so much a part of our political culture from our country's very first days. Cartoonists' drawings of the Boston Massacre helped ignite the fire of the American Revolution. A century later, the cartoons of Thomas Nast helped wash the soil of corruption from the fabric of democracy. As Boss Tweed said, and I'll quote: "I don't care a straw for newspaper articles. My constituents don't know how to read, but they can't help seeing them darned pictures." Now, actually, he didn't say "darned," but Presidents have a few restrictions now that weren't imposed on him.

Political cartoonists have helped every one of us express our feelings about the great national events of our day. Who can forget Bill Mauldin's mourning Lincoln? Bill drew for all Americans a picture of the grief that ached in our hearts after the tragic loss of a young President. Yes, you are part of our national debate and our national experience. Your humor helps give America's political dialog its characteristic way of humanity. And in doing that, you keep us here in Washington from taking ourselves too seriously, and I can't think of any greater service to the national sanity than that.

Yes, it's hard to believe now, but just 30 years ago one leading journal of opinion ran an article entitled "The Decline and Fall of the Editorial Cartoonist." A cartoonist for the Army Times, John Stampone, saw the article. And John was determined that a profession that had been so much a part of our country's history would not be wiped out. And the result—your organization. At first there were just 83 members. Today there are over 300 all across the United States and in Canada and Mexico, as well. Far from being an extinct or even endangered species, your profession is thriving now as never before.

Here at the White House during my Presidency, we've taken notice of your work—more notice than it's ever received, I think,

in the past years. In fact, since my first days in Washington, our News Summary office has produced a weekly anthology of editorial cartoons. It's called "The Friday Follies." For me, and probably for most of the White House staff, it's the most eagerly awaited document of the week and gives new meaning to TGIF. But let me put one rumor to rest. It's not true that "The Follies" is the only reason we don't schedule state dinners on Friday nights. I don't need all night to stew over them.

So, this is why I've asked you here today: to say thanks for all that you've meant to American life, thanks for the laughs and thanks for the groans and thanks for the insights. Thanks also for what you'll mean in the years ahead. If someone were to ask what's the difference between the United States and the Soviet Union, I guess one answer would be that in the United States editorial cartoonists can publish pictures lampooning Ronald Reagan, while in the Soviet Union cartoonists *must* publish pictures lampooning Ronald Reagan. [Laughter]

Yes, you're an integral part of our free society, and your vitality is a sign of the vitality of freedom itself. As I said, I enjoy your work. But since you're so free at critiquing the job I'm doing, I thought that it would be only fair, now that I have the chance, to take a shot at critiquing your work. I know you can dish it out, but can you really take it? Now, I have here a random selection of some cartoons from "The Follies," and I'll just offer a few words about each. Since we're interested in promoting family values, I'll use language other than what you're accustomed to hearing from your editors. Before I begin, I'd like to add that the signatures on the cartoons have been deleted to protect the innocent and the guilty.

Now, this first one is not one of that display. I just put that there to thank you all for doing this for me. And I assure you it's going to be framed, and it will be hung in a place of honor. And it's sure to wind up in a Presidential library. But, Etta, could I ask you to lend a hand? Don't let that get away from us.

Now, first cartoon—now, in case some of you can't read, that says, "Let me clarify

the last clarification of the previous clarification on the earlier clarification of the '85 tax issue." [Laughter] But that isn't what's important. What's important is where I'm pointing. [Laughter] I've tried everything I can to get my hair to stand up the way you've pictured it—[laughter]—and it just won't take.

Now, the second cartoon—here you've got me looking a little upset, and you've got the White House falling down. And that's Howard Baker with the tool kit. And I'm saying, "Oh, good, you must be the handyman we called." But if you were close enough, you'd see that I look a little upset, and that's probably because I just found out Howard doesn't do windows. [Laughter]

The third cartoon—well, in the balloon it says, "Economic Recovery." Now, I'm having trouble recognizing the fellow in the chair, but the crashshooter on the floor—I got him right away. [Laughter] Yes, sir, he's still recovering from the last election. [Laughter]

Now, we're to the fourth cartoon. Now, this one is titled "The Great Communicator." But as you can see, there's been some mistake there. They left the balloon blank, so I think that—[laughter]—by filling it in—I forgot what I was going to say. [Laughter]

Now, I guess, we come to number five. And this one must be a reprint from an old Hollywood publicity piece. It's funny it hasn't gotten brown around the edges lately. But what I have it here for is, I'm going to ask Ted Turner to colorize it. [Laughter] I must confess I rather like that last one. You may try to guess the cartoonist. I'll give you a hint. It wasn't Tip O'Neill. Thank heavens he never learned to draw.

In my West Wing study with my other cartoons, I also have a number that are particularly special to me. They are the get-well messages that many of you sent me after I had a little accident not far from here in late March of 1981. For me, they're a daily reminder of your sensitivity, compassion, and devotion to the Nation's welfare. So, let me leave you with two pieces of advice: first, keep drawing; second, take it easy on the old boy. And if I could suggest a subject for all of you right now, it's that monkey business that's going up on the Hill

with regard to your money and how the Government's going to take it away from you. I think that'd be a fine thing.

So, thanks for stopping by. God bless all of you. Keep it up.

Reporter. Mr. President, General Secord says North says he told you about the *contra* aid diversion. Is that right? [Laughter]

The President. Sam [Sam Donaldson, ABC News], you're interrupting Etta.

Ms. Hulme. Hey, Sam, who invited you here?

Q. Etta, did Colonel North tell you? [Laughter]

Ms. Hulme. We're not quite through here.

Q. We can't hear. Mr. President, we can't hear you. What was your answer?

Q. Turn the mike up.

Ms. Hulme. Turn the mike on? Is the mike not on? Now is the mike on? Now the mike's on. We have a question before I make a presentation. Is it true that you had us here in the Rose Garden because you heard we drew on the walls? [Laughter] But I would like to present you with this book, "The Best Editorial Cartoons of the Year," that's signed by many of our members. And we appreciate your invitation today.

The President. Well, thank you very much.

Ms. Hulme. Thank you.

The President. Thank you all. And if you'll promise to draw a picture of Sam, I'll answer his question. [Laughter]

Q. General Secord testified that North told him that he, North, had told you about

the *contra* aid diversion.

The President. Well, then he was misinformed. I did not know that there was any excess money until the day before I told all of you that Ed Meese came in and said he had found a memo that indicated there was additional money. I did not know about it. And I did not know—and I'm still waiting to know—where did that money go.

Q. But you flatly deny all this?

Q. What did you know about what Secord was doing, sir? What did you know about what Mr. Secord was up to over those 2 years?

The President. Well, I knew that Mr. Secord is a private citizen, was engaged with other private citizens in trying to get aid to the *contras* and so forth. And there's nothing against the law in that. And I'm very pleased that American people felt that way.

Q. —military aid, sir?

The President. What?

Q. Military aid?

Q. I move this meeting be adjourned.

The President. A motion to adjourn is always in order. You've just voted. Thank you.

Q. What about Gary Hart dropping out? What do you have to say about Hart? He made a hard decision this morning.

Note: The President spoke at 11:32 a.m. in the Rose Garden at the White House. In his opening remarks, he referred to Etta Hulme, president of the Association. The President was given a poster illustrated with caricatures of himself.

Appointment of Willie J. Nunnery as a Member of the President's Committee on the National Medal of Science

May 7, 1987

The President today announced his intention to appoint Willie J. Nunnery to be a member of the President's Committee on the National Medal of Science for a term expiring December 31, 1989. This is a reappointment.

Since September 1986 Mr. Nunnery has

been an attorney with a private law firm in Madison, WI. Prior to this, he was with the firm Stolper, Kotzinski, Brewster & Neider, in Madison, WI, 1985–1986, and an adjunct associate professor at the University of Wisconsin, School of Engineering, 1984–1985.

Mr. Nunnery graduated from the Univer-

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sity of Kansas (B.S., 1971) and the University of Wisconsin (J.D., 1975). He was born

July 28, 1948, in Chicago, IL. Mr. Nunnery is married and resides in Madison, WI.

Nomination of James H. Michel To Be United States Ambassador to Guatemala

May 7, 1987

The President today announced his intention to nominate James H. Michel, of Virginia, to be Ambassador of the United States of America to the Republic of Guatemala. He would succeed Alberto Martinez Piedra.

Mr. Michel was employed as a clerk and fingerprint technician at the metropolitan police department in St. Louis, MO, 1958–1965. He joined the Department of State in 1965 and first served as attorney–adviser in the Office of the Legal Adviser until 1971,

when he was named Deputy Assistant Legal Adviser. In 1973 Mr. Michel became Assistant Legal Adviser, and in 1977 Deputy Legal Adviser. Since 1983 Mr. Michel has been Principal Deputy Assistant Secretary of State for Inter-American Affairs.

Mr. Michel graduated from St. Louis University School of Law (J.D., 1965). He was born August 25, 1939, in St. Louis, MO. Mr. Michel is married, has four children, and resides in Falls Church, VA.

Message on the Observance of Cinco de Mayo, 1987

May 7, 1987

It gives me great pleasure to join with the people of Mexico and everyone of Mexican heritage in the United States in commemorating the anniversary of a great day in the cause of Mexican freedom and independence—El Cinco de Mayo.

As the people of the United States begin to celebrate the Bicentennial of our Constitution, Mexicans around the world are commemorating the 125th anniversary of the Battle of Puebla, when the Mexican Army, outnumbered three to one, still won a great victory. The spirit of those brave soldiers gives eloquent testimony to some of the

most cherished ideals we share—liberty, self-government, and the right to make our own destinies.

Today, our two nations have a special friendship and all those of Mexican descent in the United States continue to make many outstanding contributions to this country. I am happy to send warmest congratulations and good wishes to the people of Mexico and all those in the United States who celebrate this day in reaffirmation of liberty.

Viva Mexico! Viva la libertad! Que Dios los bendiga!

RONALD REAGAN

Message on the Observance of National Nursing Home Week, May 10–16, 1987

May 7, 1987

Americans today are living longer and healthier lives. One consequence of this in-

creased longevity is the growing number of men and women in the older age brackets.

Most of our Nation's elderly are leading independent lives outside any institutional setting. Another group of older Americans, some 1.5 million men and women—a third of them aged 85 years or older—reside in our Nation's nursing homes.

These citizens represent a great national treasure, not only for their contributions to our society during this turbulent century but for what they represent now: a wealth of accumulated experience and learning. As we celebrate National Nursing Home Week, 1987, all of us can resolve not to overlook the treasures to be found in these fellow Americans who have reached their golden years.

Our debt to them is written plainly across the face of our society, in the homes and cities they have helped build, in the astounding inventions and works of art they have created, in the families they have

raised, in the churches and voluntary groups they have helped sustain, and in the freedom they have sheltered from bitter harm.

But to acknowledge this debt is not enough. If we are really to pay tribute to all that these honored Americans have accomplished, a more personal thanks is in order. During National Nursing Home Week, I urge all Americans to make some visible sign of gratitude to the residents of these homes and to those who have assumed the noble duty of caring for them. Let us show our love and appreciation for those who nurtured us by nurturing them now, when they need us most. Let us show our concern by visiting, writing, or sending a special gift to someone for whom such small deeds of kindness do so very much. Let us remind them that they are, indeed, treasures of our hearts and our communities.

RONALD REAGAN

Executive Order 12596—Career Status of Federal Employees **May 7, 1987**

Noncompetitive Conversion to Career Status of Certain Employees in Professional and Administrative Career Positions

By the authority vested in me as President by the Constitution and laws of the United States of America, including sections 3301 and 3302 of title 5 of the United States Code, it is hereby ordered as follows:

Section 1. An individual who is employed in a Professional or Administrative Career position under Schedule B under the authority of 5 C.F.R. 213.3202(1) may be converted noncompetitively to a career or career-conditional appointment at GS-9, provided the individual meets the qualifications and other requirements established by

the Director of the Office of Personnel Management, and further provided the individual's performance is determined by the employing agency, in a careful and formal evaluation, to warrant such conversion at GS-9.

Sec. 2. The Director of the Office of Personnel Management shall prescribe such regulations as may be necessary to implement this Order.

RONALD REAGAN

The White House,
May 7, 1987.

[Filed with the Office of the Federal Register, 11:23 a.m., May 8, 1987]

Statement on the Death of Stewart B. McKinney May 8, 1987

Nancy and I were saddened to learn of the passing of Congressman Stewart McKinney. For the past 16 years he has served the people of Connecticut's 4th District with effectiveness and dedication. He was a

forceful advocate for the causes in which he believed, and he will be sorely missed by all who knew him. We send our deepest sympathy to his wife, Lucie, and to their children and grandchildren.

Remarks to Reporters on the Decline in the Unemployment Rate May 8, 1987

The President. Well, good morning. There's some news I thought you'd like to hear about this Friday morning. The figures are in for April. Total employment rose by 466,000 in April. Unemployment decreased by 354,000. And that means the unemployment rates for all workers and for all civilian workers fell to 6.2 and 6.3, respectively.

I wish they'd get used to talking about the first figure, the 6.2, because that includes the military, and I'm convinced they're working. They've got jobs.

That's a drop of a full .3 percentage point in a single month, and it marks the lowest unemployment rate in more than 7 years. And it's worth pointing out that these numbers exceed the expectations of most private forecasters, and taken together with the healthy gains in employment during the first quarter of this year, these April statistics indicate that economic expansion and creation of jobs continues at a strong pace.

End of statement.

Q. What happened to the unemployment rate for minorities, Mr. President?

The President. What?

Q. Unemployment rate for minorities?

The President. Well, I'm not going to take any questions except, because you asked that one on this point, it is my understanding that for some period now the unemployment rate for minorities is dropping faster than the general unemployment rate.

Q. Mr. President, do you think that private persons carrying out your foreign policy should profiteer from it?

The President. Helen [Helen Thomas, United Press International], I can't take any—

Q. Have you been watching Secord?

The President. A little, but I can't take any questions here now. We've got to get down to some very urgent business.

Q. Is Colonel North still a national hero, Mr. President?

The President. No questions—unless you want to ask about unemployment. [Laughter]

Q. What do you think of Hart bowing out?

Note: The President spoke at 9:10 a.m. in the Cabinet Room at the White House, prior to a meeting with Members of Congress.

Statement on Senate Action on the Budget Bill May 8, 1987

Here we go again. Democrats in the Senate have decided to hold our national security hostage to a \$137 billion tax in-

crease over the next 4 years. They have also decided that further reductions in domestic spending cannot be made. The time has

come, long since, to restore our credibility and discipline to the budget process. The

Senate budget is a giant step in the wrong direction.

Statement by Assistant to the President for Press Relations Fitzwater on the International Trade Bill

May 8, 1987

The bill reported yesterday by the Senate Finance Committee represents an improvement over the original Senate version, but very serious problems remain with several of its provisions. Other Senate committees

will be reporting their related bills in the days ahead. As the President has said, he would like to get trade legislation from Congress he can sign, but what we have seen to date is not at all encouraging.

Statement on the United States Strategic Arms Reduction Treaty Proposal

May 8, 1987

I have directed the U.S. START negotiator in the nuclear and space talks in Geneva to present to the Soviet Union at today's meeting of the START negotiating group a draft treaty which provides for 50-percent reductions in U.S. and Soviet strategic offensive nuclear arms. The text of the U.S. draft treaty reflects the basic areas of agreement on strategic arms reductions General Secretary Gorbachev and I reached at our meeting at Reykjavik last October.

Our draft treaty provides for both sides to reduce to 1,600 strategic nuclear delivery vehicles and 6,000 warheads, with appropriate sublimits, over a period of 7 years after such a treaty enters into force. It provides a solid basis for the creation of a fair and durable agreement. The United States proposal, in addition to the overall limits, provides for specific restrictions on the most destabilizing and dangerous nuclear systems—above all, fast-flying ballistic missiles. It includes detailed rules designed to eliminate any ambiguity as to what is agreed, and extensive verification provisions designed to ensure that each side can be confident that the other is complying fully with the agreement. The treaty is the result of intensive work by all appropriate agencies of the United States Government. I have

reviewed the treaty, and it has my approval.

By tabling this text, the United States seeks to build on the significant progress made in START and to provide a vehicle for resolving the remaining differences. If the Soviets are prepared to work with us on the remaining outstanding issues, especially the need—for the purpose of ensuring strategic stability—for sublimits on ballistic missile warheads, we will be able to take a significant step toward a safer and more stable world.

While tabling this treaty is an important indication of our desire to achieve deep, equitable, and verifiable strategic arms reductions as soon as possible, I do not wish to minimize the difficult issues which remain to be resolved, particularly Soviet insistence on linking a START agreement to measures which, if accepted by the United States, would seriously constrain SDI. This is unacceptable. I cannot and I will not accept any measures which would cripple or kill our SDI program. In view of the continuing Soviet offensive buildup, combined with the long-standing Soviet activities in strategic defense, the SDI program is vital to the future security of the United States and our

allies.

As we begin detailed discussion of our proposed treaty with the Soviets, we are resolved to do our part to bring about, for the first time in history, real reductions in

strategic offensive arms. I hope the Soviets will demonstrate similar determination and work with us on the basis of our draft treaty to translate the areas of agreement reached at Reykjavik into concrete reductions.

Appointment of James L. Hooley as Deputy Assistant to the President and Director of Presidential Advance

May 8, 1987

The President today announced the appointment of James L. Hooley as Deputy Assistant to the President and Director of Presidential Advance.

Mr. Hooley was appointed Special Assistant to the President and Director of Presidential Advance on June 3, 1985. He will continue in his role as Director of Presidential Advance. In that position, Mr. Hooley has been responsible for the planning and direction of the President's public events and activities. Mr. Hooley joined the White House as a member of the President's advance staff in September 1982. Mr. Hooley resigned from the White House staff following the 1984 Republican National Convention to work on the Reagan-Bush reelection campaign. At Reagan-Bush he acted as di-

rector of advance for Presidential appearances. Then Mr. Hooley was appointed group director for Presidential events for the 50th Presidential inauguration. Prior to his White House service, Mr. Hooley served as Director of Intergovernmental Affairs for the U.S. Department of Labor. He has been working for Ronald Reagan since May 1978, serving as an advance man and organization consultant until the 1980 election. Prior to that time, he had served in several national and statewide campaigns as a political consultant.

Mr. Hooley graduated from the American University (B.A., 1974). He was born May 9, 1951, in Albany, NY. Mr. Hooley currently resides in Alexandria, VA.

Radio Address to the Nation on Defense Spending

May 9, 1987

My fellow Americans:

My message today is taped so I can attend the memorial service for a great patriot and dedicated public servant, my good friend, Bill Casey. Before I get into the substance of my remarks, I would also like to wish all of our nation's mothers a happy Mother's Day tomorrow. I've often thought that our mothers are the most hardworking of all Americans. Raising a family, as we all know, is a 24-hour-a-day duty. How often it was our mothers who picked us up when we fell, comforted us when we were sick, schooled us in our faith, and gave us the security and courage to go out and face the

world. So let me just say to all America's mothers: Thanks, Mom, for a job well done.

Turning to business in Washington, the Congress is in the midst of working on the defense budget, and I must say quite frankly that the indications up to this point are alarming. Too often many Members of Congress treat defense like it was someone else's responsibility. It's always the first thing to be sacrificed, to be canceled or cut, or delayed, even while wasteful boondoggles and pork-barrel spending sail right through untouched.

Now the progress we've made in the last 6 years rebuilding our defenses is once

again being put in jeopardy by the shortsightedness of some in Congress. For 2 years in a row, Congress has cut defense appropriations below previous levels in real terms. The current 1987 defense budget is actually 6 percent smaller than the one Congress itself approved for 1985, yet some actually argue that it, too, should be gutted. Add to this the fact that some have attached irresponsible amendments to defense bills that would tie my hands and undercut my ability to conduct arms reduction negotiations with the Soviets. I think you'll agree it's time Congress took stock of itself and thought seriously about its responsibility for maintaining our national security.

When we were elected in 1980, our defenses were in a dangerous state of disrepair. Years of neglect had produced planes that couldn't fly for want of spare parts, ships that couldn't leave port, a Rapid Deployment Force that was neither rapid nor very deployable and wasn't much of a force. At the same time we were confronted with a massive Soviet buildup. While our defenses were cut to the bone, the Soviets steadily increased military spending, shifting the military balance heavily in their favor. Even today the annual Soviet output of nuclear missiles, tanks, and other ground equipment is still twice that of the United States and NATO combined. Such a severe and dangerous imbalance can't be redressed in a few years. It takes a steady, determined effort.

Now, some will tell you that we're spending too much on defense, that defense spending is responsible for the deficit, but that charge is belied by the facts. The great surge in spending has been on the nondefense side of the budget. In fact, the increase in nondefense spending, including interest, has been nearly twice as great as in defense spending. My budget proposal for the next 5 years asks for a modest 3-percent real growth in defense. This is the mini-

mum we need for a stable, consistent growth in defense that will maintain the progress we've made.

Also of grave concern are the many amendments that threaten our arms reduction negotiations with the Soviets. Our talks have already progressed to the point that, in the last round, the United States tabled a draft treaty on intermediate nuclear force reductions, and just yesterday in Geneva, we tabled a draft strategic arms reduction treaty as well. For the first time in history, we seem to be on the verge of major arms reductions. Still, some in Congress would pull the rug out from under our negotiators with some legislation, such as that dealing with our strategic defense program and nuclear testing. Congress would be handing the Soviets free of charge what they can't win at the bargaining table. This is no way to run America's foreign policy. Let me be clear: If Congress passes legislation that endangers our arms reductions or undermines our national defense, I will have no choice; I will veto it. For the sake of our national security, however, I hope we can reestablish a bipartisan consensus on national security and meet our defense needs so we can keep America free and strong and at peace.

Finally, I'd just like to say a few words about the hearings that started in Congress this week. We're all eager to get the facts out before the American people. We hope Congress will be thorough and also expeditious so that we can get on with the business at hand.

Until next week, thanks for listening, and God bless you.

Note: The President's address was recorded on May 8 in the Oval Office at the White House for broadcast at 12:06 p.m. on May 9. In his closing remarks, the President referred to the Iran arms and "contra" aid congressional hearings.

Remarks at the Dedication of Tuskegee University's General Daniel "Chappie" James Center in Alabama

May 10, 1987

The President. Thank you, Dr. Payton. It's an honor for me to dedicate this aerospace science and health education center to the memory of one of Tuskegee's finest and one of America's best, General Daniel "Chappie" James. Chappie James was a hero of three wars. He flew 101 combat missions in Korea, where at one point he force-landed behind enemy lines, and 78 combat missions over North Vietnam. Nearby, we can see—and we just came by—one of the jet planes that he flew in Vietnam. He rose through the ranks of the United States Air Force in the Military Airlift Command and the North American Air Defense Command. As Commander of NORAD, all America depended on his judgment and his courage for our defense and survival.

Chappie's mother told him at a young age that there was an Eleventh Commandment: "Thou shalt not quit." He took that to heart. And Chappie James is one of the very few officers ever to attain the rank of four-star general. He had 4 stars on his shoulder and 50 stars in his heart. Chappie James was an unabashed patriot; his expressions of affection and dedication to the cause of freedom stirred the hearts of his countrymen. He loved America, and America loved Chappie James.

This unique individual began his career here at Tuskegee. This is where he earned his degree. This is where he trained young men how to fly and how to fight. And these warriors put his lessons to good use, destroying 261 enemy aircraft and wreaking destruction and havoc upon the enemy. They served their country with valor and distinction. As you may be aware, in 1944, I narrated a film about the Tuskegee Airmen. I was presently in uniform serving with the Army Air Corps at the time, but my past occupation caught up with me, and I was given the opportunity to do that narration. And I'm proud that in a small way I was able to contribute to the change in climate that gained public acceptance for black pilots.

And with us today is Air Force General Bernard Randolph, who I've nominated to receive his fourth star. His contributions to America today are possible because of men like Chappie James and the Tuskegee Airmen. The lessons Chappie taught the Tuskegee Airmen were of great service to our country. Today it's most fitting, then, that we dedicate this center to carry on that spirit. The James Center will help train young men and women in the discipline of aerospace science and health education. And we expect from the ranks of these students will come young leaders who will follow the proud traditions of this university, men and women who will be a lasting tribute to Chappie James and all that he stood for.

Chappie, who fought in war and in peace to make this a better, freer country, once said: "This is my nation. I love her. If I see Miss Liberty ill, I'll hold her hand. If she is in the hospital, I'll bring her roses." Well, now, let his spirit hold the hand of these students and guide them through the challenges of higher education and through the frustrations of life.

I am most proud to dedicate this center in honor of a darned good pilot and a revered military officer and a truly great American.

Reporter. Mr. President, [former Assistant to the President for National Security Affairs] Bud McFarlane says you ordered *contra* aid at a time when Congress had banned such aid. What do you have to say about that?

The President. I'm not going to take any questions now on things like that. We're here for a different purpose. And let's, just for a few moments, decide that there's enough controversy, and we'll leave it in Washington for today.

Note: The President spoke at 10:42 a.m. at the center. He was introduced by Dr. Benjamin Franklin Payton, president of Tuskegee University.

Remarks at the Tuskegee University Commencement Ceremony in Alabama

May 10, 1987

The President. Thank you, President Payton, Governor Hunt, Senator Heflin, Congressman Nichols, Mrs. James, the distinguished faculty members and honored guests, graduates to be, and, of course, proud parents. It's an honor for me to be here, sharing this special day with you. And, President Payton, after having had you and Mrs. Payton on our campus a few weeks ago, let me say, Nancy and I are honored by the invitation to be on yours. She sends her greetings. You know, the First Lady doesn't work for the Government—well, she doesn't get paid by the Government, but she works for the Government. And she's home, packing for a trip they're sending her across the country on.

This is a most fitting day for a graduation ceremony because it coincides with the day we give thanks to the individuals to whom we really owe everything, people who sacrificed and sometimes themselves went without so that we could have happier and more complete lives. Today we remember and give thanks to our mothers. I'd like to ask every woman who has a child graduating today to stand, if they would. [*Applause*] Ladies, we honor your children today for their outstanding accomplishment, but we know that you deserve our accolades, as well. God bless you, and thank you all for all you've done to bring this happy day about.

And speaking of mothers, Mrs. Punch, would you come up here on the platform for a moment? I know Tuskegee students have had a special one here on campus for 40 years. She's retiring this year. Mrs. Punch, love and thanks are yours today. And Nancy and I would like to give you something on behalf of all of us.

Mrs. Punch. Thank you, Mr. President.

The President. Today you young people end one phase of your life and begin another. Your parents, your teachers, all of us, are genuinely excited for you.

There's a story of a diplomat who caught a taxi in Washington, and on the long ride

to Dulles International Airport, he struck up a conversation with the cabbie. And the young man happened to mention that he would be graduating in a few weeks. And the diplomat asked what kind of work he intended to pursue. "I don't know," replied the cabbie, "because I haven't decided yet." Well, once at Dulles, the diplomat caught a plane which was taking him straight to the Soviet Union, to Moscow. And arriving there, he got in a taxicab and started the long ride in, and he, speaking fluent Russian, struck up a conversation with that cabbie. And asked, the cabbie, too, by coincidence said he too would soon be graduating. And when the diplomat asked him what line of work he planned to pursue, the cabbie replied, "I don't know; *they* haven't decided yet." [*Laughter*]

Well, in a free society, as that story suggests, the individual makes the ultimate decision as to the direction of his or her life. This freedom is one of the greatest sources of strength from which this or any country can draw, a wellspring of hope that can be seen in the optimism of free people. And looking at your faces today, one cannot but have confidence in you and in our country's future. Your generation of Americans will usher the world into a new era of freedom and progress, a time when our technology and our creativity will carry us beyond anything that we can now imagine. Already computers are expanding our productivity and opening doors of opportunity only dreamed of a short time ago. Small businesses, for example, have computer facilities formerly reserved for giant corporations.

When I was attending college—now, I know many of you probably think that that was back when there were dinosaurs roaming the Earth—[*laughter*]—actually, they weren't; it was about the time when Moses was parting the Red Sea. [*Laughter*] Seriously, the goals Americans set for themselves in the days of my youth seem so modest: indoor plumbing, electricity, a

family car, having a telephone or a radio crystal set. Traveling to distant cities was rare; traveling overseas was within reach of only a few. For my family, even going to a movie was not always within reach.

Today we explore technology that might someday conquer the remaining threats to our health and increase our longevity. While jet airliners carry passengers, even those of modest means, from coast to coast and overseas, our engineers are busy developing crafts that one day will take off from a runway and carry us into space, aerospace planes that will deliver us anywhere in the world in just a few hours' time. Discoveries in the field of superconductivity are coming so rapidly that research results are often out of date before they're in print. Scientists are bringing us to the day of pollution-free electric cars and magnetic trains that carry cargo and travelers at speeds of 300 or 400 miles per hour.

During my teens, one in four Americans was still on the farm; more often than not, toiling to achieve extremely limited production. It took one farmer then to feed four Americans in those days. Today that same farmer can feed 60 Americans and 15 foreigners. Those were also the days when most people, trying to earn a meager living, shut their eyes to the injustices suffered by minority citizens. It was Thomas Jefferson who once said, "I like dreams of the future better than the history of the past." Well, Americans have never lacked vision, never lacked the desire or the courage to attempt great deeds.

After the Second World War, during another time of tremendous economic and technological progress, our society moved forward to make a long-overdue commitment to extend freedom to those who had been denied, to make real the dream of a land of freedom and justice for all. In the 1950's and 1960's, great strides were made through political action. The legal sanctions of bigotry and discrimination were torn away, laws protecting the civil rights of all Americans were put in place, and racism was, in effect, outlawed. These great achievements did not come easy. They were the result of the struggle and commitment of generations and the outstanding leadership of individuals like Dr. Martin

Luther King. The civil rights movement earned the respect and gratitude of all good and decent Americans, even some who may at first have had reservations about what was happening. Yet changes in the law—and the political struggle itself—brought social progress that enormously strengthened the moral foundation of the United States.

The political and legal battle is obviously not over. We must remain vigilant, inside and outside of government. We must maintain our moral solidarity against intolerance and racial hatred. We cannot shrug off incidents of racial violence or interracial crime. Yet today, if black Americans are to progress socially and economically, if they are to be independent and upwardly mobile, it is imperative that they be part of the great technological and scientific changes now sweeping our country and the world. And it's just as vital for America that all her citizens march into the future together.

If there's any lesson now being learned, it is that there is a relationship between human freedom and the progress of man. The discrimination and prohibitions suffered by minorities in this country were undoubtedly some of the greatest impediments to the forward thrust of our nation. One need only look at the invaluable scientific contributions, especially in the area of agriculture, made by George Washington Carver, to wonder what more he might have accomplished had he not been overcoming prejudice as well as conducting scientific experiments. An American pioneer in heart surgery was Dr. Daniel Hale Williams, a black physician. Another black physician, Dr. Charles Drew, discovered a method of storing blood plasma. How many of our countrymen would have lived longer, more productive lives had these outstanding citizens been freer to reach their potential?

The United States, in all these cases and so many more, did not know what it was losing. Ironically, today America often isn't aware of what it's gaining by having opened doors that were long closed. Our citizens may know of the three black astronauts now in line for becoming [upcoming] shut-

tle missions. Yet how widely known is it that a large portion of NASA's work force is black, including 422 engineers and scientists? One of them, David Hedgly, was responsible for a breakthrough in computer graphics a few years ago, solving a problem that had confounded the scientific establishment for years. The press release announcing the accomplishment did not—as was proper—mention his race. Dr. Jewell Plummer Cobb is president of California State University at Fullerton. She's a distinguished scientist who's known for her work in cell physiology.

There's nothing wrong with the attention focused on black athletes and entertainers; I would be the last one to play down the role of entertainers. *[Laughter]* However, I think it's high time the media and the rest of America began paying more attention to those black citizens who are prominent in other professions, as well. We must be concerned about the perception children of every race are developing about themselves and about others. Certainly, problems in the black community cannot be covered up or ignored; yet rather than dwelling almost exclusively on the negative, let's make certain our children see stories of black successes and triumphs. And there are many from which to choose.

Today there are some 843,000 minority-owned businesses in the United States. Over and above what they buy and sell in the private sector, the Federal Government is doing an unprecedented \$6½ billion in business with them. Black entrepreneurs often overcome great adversity. Their stories lift the human spirit and give credit to individuals who should serve as role models for our children. Coming up, for example, is National Small Business Week. An engineering and technical services company named Analysis Group Incorporated, has been selected for distinction. The president of the company, Arthur Paul, received his bachelor's and master's in engineering from Howard University and his doctorate from the University of Virginia. As our country moves into the 21st century, it's crucial that more young black Americans follow the path of Dr. Paul and of our black scientists, physicists, and mathematicians. America must not be denied the benefits of the crea-

tivity and talents of its citizens.

Our administration is moving aggressively in a number of fronts. We have an agenda that is aimed not only at overcoming the problems of today but also preparing the ground for black economic independence in the technological era that we're entering. We threw out the old, inefficient CETA [Comprehensive Employment Training Act] program and put in its place the Job Training Partnership Act, which provides more training for every dollar spent. It was Booker T. Washington who said: "The world cares very little about what a man or woman knows; it is what the man or woman can do. . . ." Well, our new training programs are designed to provide marketable, up-to-date skills.

We've done our best to put in place spending and tax policies that will keep our economy healthy and growing. Certainly, black unemployment has remained far too high and is totally unacceptable, yet there are some figures that give us hope. Black employment has increased 1.8 million since 1980, and today more black Americans are working than ever before and a higher percentage of the black work force is employed than at any time in this decade. Since the economic recovery began, about one in seven of all new jobs being created has gone to black Americans. I care deeply about the unemployed. I saw my father suffer from the pain of not being able to support his family. I witnessed what it did to him and his self-respect and to my mother. And it's not something I or anyone in the administration take lightly. And I can assure you, we won't be satisfied till every American who wants a job has a job and is earning a decent living.

Our preparation for the next century goes far beyond our efforts to build an economy that will provide jobs for the unemployed. By our campaign for excellence in education, we have not been offering easy answers in this regard; instead, we set out to mobilize the public, to get the people involved in their local schools and in the education of their children, to encourage them to insist on high standards and discipline. And let's not kid ourselves—we can't expect children to excel in an environ-

ment of drugs and permissiveness. All Americans should stand shoulder to shoulder against this evil that undermines the moral fiber of the Nation and attacks our youth. It's time to get drugs off our campuses and out of our schoolyards. We want to make certain that by the time young people get to college, they're of sound mind, good character, and have the basic educational skills to carry them into any field they choose.

We're also engaged in an effort to encourage them as to what choice to make. At the college level, we're helping to provide incentives for black Americans to choose math, engineering, and the sciences. And next year, in response to our direction, the National Science Foundation—whose budget is being doubled—will move to ensure the widest participation in the sciences. This includes funding comprehensive projects to improve the teaching of science and engineering to pre-college and undergraduate students in minority schools.

And this isn't just a job for the Government. One of the goals we've set for ourselves in recent years has been to enlist the citizenry and private corporations in such community-building programs. Today there are partnerships between Texas Engineering Experiment Station and Prairie View A&M University, between Lawrence Berkeley Laboratory and Jackson State University, and others that provide hands-on engineering and scientific experience to minority students. We're doing our best to encourage these partnerships, whether they take the form of apprentice programs or consulting arrangements or joint research. In the public sector, the full support of our administration has been thrown behind the effort to greatly strengthen the research capabilities of black institutions of higher learning. In 1986, 27 Federal agencies and departments invested more than \$600 million in our nation's historically black colleges, much of it in the form of research grants and projects.

One example: Tuskegee competed for, and won, a \$2¼-million Navy contract to help in the development of automobile, aircraft, and spacecraft engine components. More of Tuskegee's students are enrolled in engineering and architecture than any

other area of study. Furthermore, among your faculty and staff, in keeping with the standards established by Dr. Carver, are some of the best higher education has to offer in electrical, mechanical, chemical, and aerospace sciences. Tuskegee has a tradition of top-quality scientific research from its earliest days.

Dr. Carver once said: "Race and creed find no recognition in the eyes of the Deity when He bestows His generous gifts." Dr. Carver not only said that; he proved it. Tuskegee made history with its agricultural research, which continues even now to be a source of pride. Yet let me suggest that this fame may someday be surpassed by contributions your institution will make in the field of aerospace engineering.

Audience member. Yeah!

The President. He's ready. [Laughter] This potential is the reason the George C. Marshall Flight Center and other similar organizations, as well as private corporations, are humming around here. This is the reason NASA donated to this institution some of its most sophisticated aviation-related computers last year. And, of course, it is the reason that you have received \$9 million in support from the Department of Education for the opening of this Aerospace Science and Health Education Center, this center I was honored to inaugurate shortly before joining you here today. This center, of course, is dedicated to the memory of one of this country's great patriots, a hero of three wars, America's first black four-star general, Daniel "Chappie" James. He has been mentioned here repeatedly. As a youth he washed airplanes for 25 cents. He earned his degree here at Tuskegee and helped train the famous Tuskegee Airmen, pilots who during the war destroyed 261 enemy aircraft and won a basketful of Distinguished Flying Crosses.

Some of you may be aware that back in 1944, in the midst of that great conflict, I narrated a film about these brave pilots. I can't tell you how proud I am to be an honorary Tuskegee Airman. And if they hadn't made me wear this robe, you'd have seen I was wearing the button in my lapel. [Laughter] The skill and courage of these individuals, Chappie James and the Tuske-

gee Airmen, is part of an heroic tradition, from the Revolutionary War, when some 5,000 black Americans fought gallantly for our country's independence, to Pearl Harbor, where a black seaman named Dorie Miller was one of the first Americans to bring down an enemy aircraft. Dorie Miller, the Tuskegee Airmen, and others who fought and often paid the supreme sacrifice for their country did so in a segregated military. Their courage and patriotism undoubtedly helped bring an end to this outrage.

Today one of the greatest strengths of our military is that it is one of the most successfully integrated institutions in the country, an open door of opportunity to all citizens. Over 10 percent of the Army's officers are black, as are 34 percent of its sergeants. Blacks are in more positions of managerial and command authority in the military than in business, education, journalism, or any other part of government. Chappie James' mother once predicted: "Someday there will be so many black people doing so many things that are noteworthy that it will no longer be newsworthy." Nowhere is it more apparent than in the Armed Forces.

Twenty-nine of the Army's active-duty generals are black. There have been two black four-star generals: Chappie James in the Air Force and Roscoe Robinson, Jr., in the Army. And in fact, I have nominated another black general, Bernard Randolph, for his fourth star. It's now pending congressional approval. Again, Chappie was right, and his mother was right. This officer's race no longer even makes the news. By the way, General Randolph is with us today, as you've just seen. And so, General, congratulations!

The military is seen by many as an avenue for advancement, a job where individual merit will be recognized and rewarded. The technological training and skill development provided in the military is some of the best in the country. And that could mean learning about car and truck engines. It could also mean learning to build bridges or space stations. Astronaut Guy Bluford was an ROTC graduate who went into the Air Force after receiving a B.S. from Penn State. While in the service, he earned his doctorate degree in aerospace engineering,

with a minor in laser physics, from the Air Force Institute of Technology. I might add that he was at the White House on the day we announced the initial grant for the Chappie James Center here in Tuskegee.

These Americans in the military service of the United States do us proud because of their achievements and because they, like the brave men who went before them, are willing to put their lives on the line to defend our country. With us today are 27 newly commissioned ROTC second lieutenants who will soon be joining the ranks. Would they please stand? *[Applause]* You young people are a great source of pride to all of us—your families and your fellow students and your countrymen. I know I speak for all of us here when I tell you that we're confident that you will never let us down. And let me pledge to you, we will never let you down. As an old ex-second lieutenant of horse cavalry, I consider it an honor to salute you. Thank you.

I'd like to close with one story. Being from this campus, you know of Chappie and the Tuskegee pilots. I'd like to speak with you of a man whose name is not so well known as these—Ensign Jesse Brown, the first black naval aviator. He was a husband and a father, a deeply religious man, an individual who studied engineering at Ohio State and left college to become a naval aviator. He loved to fly. In December 1950, Ensign Brown was a member of Fighting Squadron 32, aboard an aircraft carrier somewhere off Korea. He flew 20 close air-support missions, providing cover for our outnumbered marines at the Chosin Reservoir. The battle was fierce; our men on the ground were in a desperate situation.

On December 4th, 1950, Ensign Brown's aircraft was hit while making a strafing run against the enemy. With tremendous skill, he managed to crash land on a rough, boulder-strewn slope. He survived the crash, waving to his friends as they circled overhead. They knew he was in trouble when he remained in the cockpit even as smoke began to billow from the wreckage. Finally, a fellow member of his squadron could stand it no more. As the others attacked and held off advancing enemy troops, Lieutenant (jg.) Thomas Hudner ignored the

dangers of the mountain terrain and enemy troops and made a deliberate wheels-up landing. He ran to Ensign Brown's plane, now erupting in flames, and found his friend alive, badly injured, and trapped in the cockpit. Lieutenant Hudner shoveled snow with his hands to keep Jesse from the flames, burning his own hand badly in the process. Finally, over the battle-scarred terrain, came a marine helicopter. Lieutenant Hudner, joined by a crewman from the helicopter, struggled desperately to get Jesse out.

Now, I would like to tell you that they both made it and that, over the years, they have been best of friends, sharing family outings, caring about one another. But that was not to be. Ensign Jesse Brown died on that slope in Korea. When he risked his life for those besieged marines, Jesse Brown didn't consider the race of those he sought to protect. And when his fellow pilots saw him in danger, they did not think of the color of his skin. They only knew that Americans were in trouble. Ensign Brown was posthumously awarded the Distinguished Flying Cross, the Air Medal, and the Purple Heart; Lieutenant Hudner, the Congressional Medal of Honor. But perhaps the most moving tribute was paid by Ensign Brown's shipmates. In a memorial

printed in the ship's paper, they wrote: "We bid farewell to a Christian soldier, a gentleman, shipmate, and friend. He was a credit not alone to the Navy but to our country. His courage and faith in Almighty God shone like a beacon for all to see. Hail and farewell."

Today, you become part of the continuing saga, the history shaped by individuals like Dr. Carver, Chappie James, and Ensign Jesse Brown. What you do with your lives will keep America shining like a beacon of opportunity and freedom for all to see. Thank you for letting me be with you here today. Good luck in the years ahead, and God bless you all.

Note: The President spoke at 11:35 a.m. in the auditorium at the General Daniel "Chappie" James Center. He was introduced by Dr. Benjamin Franklin Payton, president of Tuskegee University. Dr. Payton also presented the President with an honorary doctor of laws degree. The President presented flowers to Pauline Punch, who served as secretary and executive assistant to three Tuskegee University presidents. Following the ceremony, the President went to Maxwell Air Force Base in Montgomery, AL, for lunch at the Base Operations Building. He then traveled to Fayetteville, NC.

Remarks at Bob Hope's 40th Anniversary Salute to the United States Air Force in Fayetteville, North Carolina

May 10, 1987

Mr. Hope. All I want to do, Mr. President—I just want to welcome you. And I just want to tell you that they've been waiting, you know. They publicized that you were going to be here, so they've been waiting. And they've been waiting. They started at 10 o'clock this morning, and they've been waiting for you. And I can't tell you how happy I am that you're here, but I thought with this particular crowd that you might drop in by parachute.

The President. Well, Bob, I'll leave that to the experts. If I tried that, I might have landed on your birthday cake. *[Laughter]*

Mr. Hope. Yes—the seat of government would have icing all over it, huh? *[Laughter]* But you know, it's great to have you here. I'm just sorry Nancy isn't with you.

The President. Well, I was going to ask her, but I was afraid she'd just say no. *[Laughter]*

Mr. Hope. I want to tell you, Mr. President, with all the travel and all the work you've done, you look just great.

The President. Well, Bob, you look great, too.

Mr. Hope. You do—

The President and Mr. Hope. Well, I hope

I look that good when I'm your age.
[Laughter]

Mr. Hope. You know, if vaudeville comes back, we're set.

The President. Robert, I just want to say something to all these people here, and that is that I'm sure that many of them know this has been a career with you. On birthdays, on holidays of all kinds, dating clear back to the draft days before World War II, you were out entertaining our people in uniform. And then through three wars, you went wherever our fighting men and women were to bring a little touch of home to them. And you left, and you were there, and now we're at peace, and you're still doing it. And I think it's just great of you. But also, I would like to say on behalf of your audience: Nothing in the job I have has made me more proud than these young men and women in uniform. Believe me, Bob, they are the finest we've ever had.

Mr. Hope. Well, we are ready. We are ready down there with the cue. How about that? You ready?

[At this point, the band played "Happy Birthday."]

Want to thank you very much for coming. You've given us all a great thrill. Where are you off to now?

The President. Bob, I don't know whether I can do it to a musical background.

Mr. Hope. You got to talk and dance at the same time. [Laughter]

The President. Well, Bob, in my lapel is a button—I have just come from Tuskegee University for their commencement over there, and where a gentleman named General Daniel "Chappie" James was being honored today.

Mr. Hope. No kidding?

The President. His widow was there.

Mr. Hope. Yes.

The President. This great general.

Mr. Hope. Great man. Right.

The President. And you all can't see it, but there's a button here in my lapel, and it says that I am an honorary Tuskegee Airman.

But Bob, your birthday and all—and I know that I have to leave, because from here it's Washington. But just before I leave, I just wanted to tell a little story that I thought they might be interested in. You know, Bob does have time to have some fun other than just entertaining like this. Now, for example, out there in Los Angeles, we've got a couple of racetracks. And Bob was going to go to the races when Hollywood Park opened. And for 3 days—or 3 nights, I should say, he dreamed of number "5." So, he went to the track when it opened, and he went right down the program to the fifth race and then to the number five horse in the fifth race. And it was named Five by Five. He bet the bundle on it; the horse came in fifth. [Laughter]

Mr. Hope. I love it. I remember when you gave me a tip years ago at the Kentucky Derby. It's the first horse I ever saw make a pit stop. [Laughter] Anyway, it's a thrill to have you here. You've thrilled a lot of people here, and they've been waiting for you, as I told you, since 10 o'clock. And you're awful good to show up.

The President. Well, Bob, thank you for what you continue to do for all of these young people. And thank all of you for what you continue to do for our country.

Note: The President spoke at 4:46 p.m. at Pope Air Force Base. Following his remarks, he returned to Washington, DC.

Proclamation 5651—National Digestive Diseases Awareness Month, 1987

May 8, 1987

*By the President of the United States
of America*

A Proclamation

Digestive diseases represent one of our Nation's significant health problems. Each year digestive diseases affect roughly 20 million Americans. Their cost to Americans in terms of surgery, hospitalization, and time away from work is reckoned in tens of billions of dollars; but their cost in terms of suffering and mortality is incalculable.

Fortunately, private and public support has made continuing research into digestive diseases possible. In addition, concerned organizations—including the Digestive Diseases National Coalition, the National Digestive Diseases Advisory Board, the National Digestive Diseases Education and Information Clearinghouse, and the National Institute of Diabetes and Digestive and Kidney Diseases—have been conducting a national public awareness program about these serious diseases and their prevention.

In recognition of the importance of efforts to combat digestive diseases, the Congress, by Public Law 100-32, has designated the month of May 1987 as "National Digestive

Diseases Awareness Month" and authorized and requested the President to issue a proclamation in observance of this month.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the month of May 1987 as National Digestive Diseases Awareness Month. I urge the people of the United States and educational, philanthropic, scientific, medical, and health care organizations and professionals to participate in appropriate activities to encourage further research into the causes and cures of all types of digestive disorders.

In Witness Whereof, I have hereunto set my hand this eighth day of May, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 2:49 p.m., May 11, 1987]

Note: The proclamation was released by the Office of the Press Secretary on May 11.

Proclamation 5652—Jewish Heritage Week, 1987

May 9, 1987

*By the President of the United States
of America*

A Proclamation

It is truly fitting that Americans pause each year to celebrate Jewish heritage, a tradition measured in millennia and one that has given much to our land. American Jews have helped build our Nation, enriching our ideals, fighting for our freedom, and making significant achievements in the arts, labor, business, academia, medicine, and every segment of American life.

This time of year calls us to reflection and remembrance about Jewish heritage. The observance of Passover tells the story of the passage from bondage to freedom and rekindles hope for mankind. The National Days of Remembrance of victims and survivors of the Holocaust and commemorations of the anniversary of the Warsaw Ghetto Uprising solemnly remind us that the shining glory and goodness of the spirit can arise from unutterable evil and tragedy—and that the words "Never Again" must always be our guide.

American Jews have given of their heart and soul for an America that has ever been a haven for the oppressed. That is reason for every American to rejoice and to remember.

The Congress, by House Joint Resolution 67, has designated the period of May 3 through May 10, 1987, as "Jewish Heritage Week" and authorized and requested the President to issue a proclamation in observance of this event.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the period of May 3 through May 10, 1987, as Jewish Heritage Week. I call upon the people of the United States, interested organizations, and Feder-

al, State, and local government officials to observe this week with appropriate activities and ceremonies.

In Witness Whereof, I have hereunto set my hand this ninth day of May, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 2:50 p.m., May 11, 1987]

Note: The proclamation was released by the Office of the Press Secretary on May 11.

Nomination of Kenneth Y. Tomlinson To Be a Member of the Board for International Broadcasting

May 11, 1987

The President today announced his intention to nominate Kenneth Y. Tomlinson to be a member of the Board for International Broadcasting for a term expiring April 28, 1990. He would succeed Arch L. Madsen.

Since 1985 Mr. Tomlinson has been the executive editor of Reader's Digest in Pleasantville, NY. Prior to this, he served as managing editor of Reader's Digest, 1984-1985;

Director of the Voice of America, United States Information Agency, 1982-1984; and a correspondent and senior editor of Reader's Digest, 1968-1982.

Mr. Tomlinson graduated from Randolph Macon College (B.A., 1966). He was born August 3, 1944, in Mount Airy, NC. Mr. Tomlinson is married, has two children, and resides in Chappaqua, NY.

Appointment of David Harris as a Member of the Intergovernmental Advisory Council on Education

May 11, 1987

The President today announced his intention to appoint David Harris to be a member of the Intergovernmental Advisory Council on Education for the remainder of the term expiring July 27, 1990. He would succeed Anne Lindeman.

Since 1983 Mr. Harris has been a State legislator in the State of Illinois General Assembly. Prior to this he was a member of the Chicago Board of Trade. Mr. Harris

served on President Reagan's national advance staff in the 1976, 1980, and 1984 campaigns. He was a member of the White House staff on President Reagan's European trips in 1982 and 1985 and his Far Eastern trip in 1983. He was elected an alternate delegate to the 1984 Republican National Convention.

Mr. Harris graduated from Georgetown University (B.A., 1970). He has served in

the National Guard since 1970. Mr. Harris was born March 26, 1948, in Reading, PA.

He is married, has one child, and resides in Arlington Heights, IL.

Designation of Jerald Conway Newman as Chairman of the National Commission on Libraries and Information Science

May 11, 1987

The President today announced his intention to designate Jerald Conway Newman to be chairman of the National Commission on Libraries and Information Science. He would succeed Kenneth Y. Tomlinson.

Since 1985 Mr. Newman has been an investment banking and management consultant in New York. Prior to this, he was the president of Bowery Savings Bank, 1982–1985; executive vice president, Bank Leumi Trust Co. of New York, 1973–1982;

and assistant to the president and director of personnel for National Westminster Bank USA, 1966–1973.

Mr. Newman graduated from New York University (B.S., 1953; M.B.A., 1954). He was in the New York State Guard, 1956–1958. He was born January 10, 1932, in New York, NY. He is married, has three children, and resides in North Woodmere, NY.

Message to the Congress Transmitting the Annual Report of the Japan-United States Cooperative Medical Science Program

May 11, 1987

To the Congress of the United States:

In accordance with Section 5(h) of the International Health Research Act of 1960 (Public Law 86–610; 22 U.S.C. 2103(h)), I transmit herewith the Twentieth Annual Report of the U.S.-Japan Cooperative Medi-

cal Science Program for the period of July 1985 to July 1986.

RONALD REAGAN

The White House,
May 11, 1987.

Statement on the Investigation of Attorney General Edwin Meese III

May 11, 1987

I commend the Attorney General's decision today in calling for an independent counsel to review this matter. It would be inappropriate to comment upon an investigation. Ed Meese has been a longtime associate and adviser who has acted in the public interest. I have always known him to

be a man of honesty and integrity.

Note: Attorney General Meese asked James McKay, an independent counsel, to investigate his involvement in the awarding of government defense contracts to the Wedtech Corp.

Informal Exchange With Reporters May 11, 1987

Reporter. Mr. President, have you heard any of McFarlane's testimony today?

The President. No, and I'm not going to make any comments, Helen [Helen Thomas, United Press International]—

Q. Well, we want to be sure that you're denying that there was any solicitation that you knew of by the White House of countries or individuals.

The President. Helen, as I say, I can't get into taking questions on that. We're here on a matter of the debt ceiling. It's all important. And I have made answers to those particular questions over and over again and I still stick with them.

Q. Sir, do you think that Mr. Meese should stay on the job while an independent counsel investigates him?

The President. I've issued a statement on

that matter with regard to my trust and confidence in him.

Q. How did you like the Vice President's speech on ethics and morality?

The President. I like anything he does. [Laughter]

The Vice President. Get that down, Helen. [Laughter]

Q. It's all down here. It will enhance my story. [Laughter]

Note: The exchange began at 1:35 p.m. in the Cabinet Room at the White House, prior to a meeting with Republican members of the House Ways and Means Committee. In his remarks, the President referred to Robert C. McFarlane, former Assistant to the President for National Security Affairs, and Attorney General Edwin Meese III.

Remarks to Congressional Leaders on Defense Spending May 12, 1987

The President. Well, thank you all for coming down this morning. And we have several items to discuss, so we might as well get started. This week Congress will take up necessary legislation to raise the public debt limit, and this is something that both Republicans and Democrats in Congress must address. We also need to discuss this morning the budget process and how that can be improved.

But first I want to speak again of my growing concern with the course of legislation in Congress that could have a direct bearing on the arms reduction talks. The House already has attached to the defense authorization bill several unacceptable provisions. The Senate bill is equally troublesome on the strategic defense issues. As I said on Saturday, some in Congress would pull the legs out from under our negotiators with amendments to this legislation, such as those dealing with our strategic defense program and nuclear testing.

I simply can't go along with those who would hand the Soviets, free of charge, what they can't win at the bargaining table. This is no way to run America's foreign policy, and I would be compelled to veto any legislation that endangers our arms reduction efforts or undermines our national defense. Many of you have been outspoken in your opposition to such proposals, and I want to thank you for your steadfast support in working to give me a free hand in the negotiations with the Soviet Union. And I also want to thank Bob Dole and John Warner for sending me a letter with 34 signatures in support of striking an amendment that unduly restricts our SDI program. That's the end of that, and now, shortly, we'll get underway with our discussion.

Reporter. Mr. President, did you personally ask third—[inaudible]—countries to contribute money to the *contras*?

The President. Sam [Sam Donaldson, ABC

News], I made an opening statement, and I have said that I'm not going to answer any questions on those things until this is over. If I were going to answer any questions, I'd say no. [*Laughter*]

Q. Well, sir, since you didn't answer that question so brilliantly, what did you think when you were—what did you think—I'm sorry, don't laugh at the President. [*Laughter*] What did you think, sir, when you were told that a tour had been given in the White House for Iranian officials?

Senator Helms. Yes, well, I got a tour of the White House one time, Mr. President.

Q. Are you Rafsanjani?

Senator Helms. Yes, yes, didn't you know?

Senator Thurmond. Sam, he said he wasn't going to answer any questions. Can't you believe the President?

Q. Sir, I can certainly listen to the President.

Q. He did answer a question.

Q. Sir, what do you think about the tour of the White House?

Senator Helms. It was nice.

The President. I haven't known about it long enough to have any thoughts on it. I just heard it myself.

Q. You mean you didn't know about it at all?

The President. No. We were obviously out of the city. Now, come on, we've got business—

Q. Would you have let him do it if you'd been here?

Q. How did Khomeini like the tour?

Note: The President spoke at 9:36 a.m. in the Cabinet Room at the White House, prior to a meeting with Republican congressional leaders. Hashemi-Rafsanjani was the Speaker of the Islamic Consultative Assembly of Iran. A tape was not available for verification of the content of these remarks.

Statement by Assistant to the President for Press Relations Fitzwater on the United States Antisatellite Program May 12, 1987

The President published a new white paper on the U.S. Antisatellite (ASAT) Program today. The white paper notes that over the past 2 years the administration has experienced congressional setbacks in the deployment and testing of a U.S. ASAT system. The President's paper expresses his belief that these setbacks have been detrimental to U.S. national security, and states his desire to seek relief from the Congressional moratorium on testing of our non-nuclear miniature vehicle ASAT against objects in space.

The white paper examines the impact to our national security of continuing to allow the Soviets to have the world's only operational ASAT and notes that the Soviet space threat is growing more serious. In this white paper, the President expresses his deep commitment to the U.S. ASAT program as an important deterrent to the Soviets' use of their ASAT system and pledges the President's desire to work with Congress to restore bipartisan support for the U.S. ASAT program.

Appointment of J. Willard Marriott, Jr., as the United States National Chairman for the 1987 United Nations Day *May 12, 1987*

The President today announced his intention to appoint J. Willard Marriott, Jr., to be the United States National Chairman for the 1987 United Nations Day.

Mr. Marriott is currently chairman of the board and president of the Marriott Corp., in Washington, DC. He has been chairman of the board of the Marriott Corp. since

1985, president since 1964, and chief executive officer since 1972.

Mr. Marriott graduated from the University of Utah (B.S., 1954). He served in the United States Navy (1954–1956). Mr. Marriott was born March 25, 1932, in Washington, DC. He is married, has four children, and resides in Chevy Chase, MD.

Remarks at a White House Briefing for Members of the Council of the Americas *May 12, 1987*

Thank you very much. And to David Rockefeller and Ambassador George Landau and Robert Helander and all of you, welcome to the White House complex. I think they call this the White House complex because nothing in Washington could ever be simple—[*laughter*—except maybe Congress' compulsion to spend. [*Laughter*] And it is a pleasure to have you the members of the Council of Americas here today.

In 1933 Franklin Roosevelt said: "Common ideals and a community of interests, together with a spirit of cooperation, have led to a realization that the well-being of one nation depends in large measure upon the well-being of its neighbors. It is upon these foundations," he said, "that Pan-Americanism has been built." Well, F.D.R. could easily have been speaking for you. For nearly 30 years, the Council of the Americas has promoted understanding and cooperation between the United States and the nations and peoples of Latin America. The council has brought leaders of our private sector together with business and government leaders throughout Latin America. It's helped strengthen the old and enduring friendship between the United States and Latin America. It's been helping to make our nation's great engine of hope and opportunity, the private enterprise system, the engine of hope and opportunity for

Latin America as well. And let me just say that the entire hemisphere owes its gratitude to the council, and in particular to your chairman, one of the great citizens of the Americas, David Rockefeller.

You know, when some people talk, they make it sound as though development is some kind of a magic process, not the hard work of real men and women. Reminds me of a story—a lot of things remind me of stories these days. [*Laughter*] And if I've told you all this one before, just forget it and pretend I didn't. [*Laughter*] It comes in handy every once in a while, this particular one. It's about an old fellow that lived down by the creek, and he had some creek-bottom land. And he went to work on it one day. It was all brush-covered and rocks, everything there. And he worked, and he got rid of the brush, and then he hauled the rocks away, and he cultivated, and he fertilized and planted. And finally, he had a real garden spot there. And one Sunday morning after church, he asked the minister why didn't he after lunch come on out and see what he'd accomplished. Well, the minister came out that afternoon, and he took him down there. And the minister said, "I've never seen corn so tall." And he said, "My goodness, the Lord has blessed this land." And then he went on, and he said,

"Melons." He said, "Praise the Lord. Look at the size of those melons." And he went on about everything else, and all of that, and praising the Lord. And the old boy was getting pretty restive, and finally he said, "Reverend, I wish you could have seen this place when the Lord was doing it by himself." [Laughter]

Well, today two great winds are sweeping across Latin America: the wind of free enterprise and the wind of democracy. They are warm and nurturing winds that carry with them the gentle rains of hope for Latin America's future. Country after country has seen the disaster of state-controlled and -dominated economies. In both small and large steps, nations are beginning on the difficult path away from statism and toward freer economies. As Brazilian President José Sarney said recently: "Private initiative is the engine of economic development. In Brazil we have learned that every time the state's penetration of the economy increases, our liberty decreases. I want to diminish the state's presence."

Well, from one end of Latin America to the other, the message of reform is on everyone's lips, and despite problems, progress is being made. In the south, Argentina, for example, has reformed its tax code, liberalized trade, and moved to privatize and reform publicly owned companies. Between 1984 and '86, it reduced its budget deficit from over 12 percent of gross domestic product to 4 percent. It has cut inflation dramatically, and once again the economy is growing—not sluggishly, but at a robust 5.5 percent last year. Meanwhile, on the American border, Mexico has also reduced the number of parastatal companies and is moving toward tax reform and more market-oriented pricing and has begun to make trade more open.

Debt remains a burden for too many countries, but the final and best way to lighten that burden is not by jeopardizing access to the international financial markets but with freer trade, sounder monetary and fiscal policies, and greater economic growth. To take one example, Colombia is following this path and last year was able to make its first voluntary Euro-financing since 1982. And other nations have eased their debt loads with debt-equity swaps. All

the countries of Latin America need to rely less on borrowing, by one course or another, and more on investment from abroad. The United States is determined to help the countries of Latin America grow as a young tree grows toward the Sun, pushing the boulder of debt out of the way as they do. We've encouraged continuing private lending. We're encouraging Latin American leaders to trust more in the energies of their people and less on government.

And just as important, we've provided the market that Latin America needs if it is to pay off its foreign debt. We buy nearly half of Latin America's exports, while Europe and Japan together buy less than 10 percent. If our trade balance with Latin America had been the same over the last 5 years as it was in 1981, our overall trade deficit would have averaged \$25 billion less a year. Put another way, one quarter of the trade deficit during our administration came about as a result of the debt crisis. We're convinced that if Latin America commits itself to sound policies for economic growth, it's going to bounce back. Then our sales to them will rebound as well, which will be good for everyone. So, you see, this is an investment in the future of our entire hemisphere, an investment in our future as well as Latin America's. That's the best investment the United States can make.

But if the economic growth of the next century in Latin America is to be as powerful and relentless as the Amazon, then democracy in that vast region must become as towering as the Andes. Just as the Amazon rises in those magnificent mountains, so, too, does the river of opportunity rise in the highlands of freedom. Today it's possible for the first time in our history to see approaching the moment when the entire Western Hemisphere, from the Canadian Arctic to Tierra del Fuego, is composed of democracies. As the Peruvian novelist Mario Vargas Llosa said recently: "For the first time democracy or incipient democratic forms of government are being established in the countries of our hemisphere, with clear popular support and with equally clear rejection of Marxist revolution or military dictatorship. Today antidemocratic alternatives are running against the will of the people,

supported only by economic and intellectual elites.”

You know, there’s a thundering sound that echoes from the peaks and across the plains of Latin America. It’s the sound of people marching, not in uniforms, not behind red banners, but rather marching one by one in simple, everyday working clothes—marching to the polls. Ten years ago, 33 percent of the people of Latin America and the Caribbean lived in democracies or in countries that were turning to democracy; today over 90 percent do. Several of these new democracies have faced crises in the past few years, but unlike earlier times, every crisis has ended with democracy’s forces still in control.

Only a few countries resist the democratic tide, and among these, the most dangerous are Cuba and Nicaragua. As President Kennedy told us more than a quarter century ago, in his words: “The forces of communism are not to be underestimated, in Cuba or anywhere else in the world. The advantages of a police state—its use of mass terror and arrests to prevent the spread of free dissent—cannot be overlooked by those who expect the fall of every fanatical tyrant. If the self-discipline of the free cannot match the iron discipline of the mailed fist . . . then the peril to freedom will continue to rise.”

We must remember that in Nicaragua the freedom fighters’ fight is our fight. Our goal is democracy in Nicaragua and throughout the hemisphere. In the 19th century Europe emerged as the first great industrial continent of the Earth. In the 20th century North America joined it. In the 21st century Latin America will also enter that company. For the sake of our own peace and freedom, it must be a democratic region when it does, for as the Argentine poet José Hernández wrote more than a century ago: “The Americas have a great destiny to achieve in the fate of mankind . . . an American alliance will undoubtedly be

achieved, and the American alliance will bring world peace . . . the Americas must be the cradle of the great principles which will bring a complete change in the political and social organization of other nations.”

So, to all of us and all of you who are helping build the future of this hemisphere of hope, I thank you for what you’re doing.

I can’t resist this comparison. We all have the common heritage, from the Arctic down there to that southern tip, and the pioneer heritage, and to those of us that turned to freedom as the basis for all that we did, we can see what has resulted. Just those others that still have yielded to statism—I have become a collector of stories that I can prove are told by the Soviet people among themselves, showing a certain growing cynicism about their heritage. And this last one had to do with a young man buying an automobile. It’s not an exaggeration; it takes 10 years to get delivery in the Soviet Union. But you have to pay for the automobile right at the first, not when you get it. So, this young fellow was going from agency to agency and getting permits here and permits there, and stamps he was collecting. And finally, at the final place, and the final stamp was put on, and then he laid out the cash, and the man said, “Come back in 10 years and get your car.” The young fellow started to turn away, and he turned back, and he says, “Morning or afternoon?” [Laughter] And the fellow behind the counter said, “What difference does it make?” “Well,” he said, “the plumber’s coming in the morning.” [Laughter]

Thank you all, and God bless you all.

Note: The President spoke at 1:17 p.m. in Room 450 of the Old Executive Office Building. In his opening remarks, he referred to David Rockefeller, chairman of the board of directors; George Landau, president; and Robert Helander, vice chairman of the board of directors.

Proclamation 5653—Just Say No to Drugs Week, 1987 May 12, 1987

*By the President of the United States
of America*

A Proclamation

In recent years, the American people have begun to work together and make significant progress against the intolerable effects of illegal drugs on our way of life. The possibility of realizing our dream of a drug-free generation of American youth took a giant step forward when young people started to join together and organize around the battle cry of JUST SAY NO TO DRUGS.

Today, Just Say No Clubs are setting a new standard of leadership with young people who want to be drug-free. The clubs are an expression of the concerns and the responsibility of young Americans—a positive, constructive step against the tyranny of drugs in schools and communities. The demand to be drug-free is one all of us should heed in our homes and workplaces; our Nation has a commitment to the safety and well-being of young people, and much remains to be done if we are to have a drug-free society that refuses to tolerate the presence and use of illegal drugs. The heritage and the promise of America bid all of us to live up to our responsibility to say no to illegal drugs and alcohol abuse.

I salute the young people who demonstrate their common sense by saying no to drugs and who exhibit leadership by encouraging their friends to do the same. I

urge every American to support and emulate the commendable actions of these young people who give us the hope that our next generation may be drug-free.

To recognize the contributions of these young Americans, the Congress, by Senate Joint Resolution 124, has designated the week of May 10 through May 16, 1987, as “Just Say No to Drugs Week” and authorized and requested the President to issue a proclamation in observance of this event.

Now, *Therefore, I, Ronald Reagan*, President of the United States of America, do hereby proclaim the week of May 10 through May 16, 1987, as Just Say No to Drugs Week. I call upon officials at every level of government, civic groups, the clergy, educators, the media, and all citizens to support our youth in observing this week with appropriate programs, ceremonies, and activities. I also ask all Americans to make a personal commitment to Just Say No to illegal drugs and alcohol abuse as they participate in activities during this week.

In Witness Whereof, I have hereunto set my hand this 12th day of May, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:14 a.m., May 13, 1987]

Proclamation 5654—National Osteoporosis Week, 1987 May 12, 1987

By the President of the United States

A Proclamation

Every American should know the seriousness of osteoporosis and the need to find ways to cure and prevent it. This disease causes bone mass to decrease, which weak-

ens bones and makes them susceptible to fracture. Osteoporosis afflicts 15 to 20 million Americans, most of them women. It affects half of the women in the United States age 45 or older, and 90 percent of women over 75—bringing pain, decreasing mobility, hampering daily functions, and

sometimes ending independence. Every year more than a million Americans suffer fractures because of this disease, most often of the spine, wrists, and hips.

Because the number of elderly Americans continues to rise, so does the incidence of osteoporosis. Fortunately, private organizations and the Federal government are conducting research into this malady. Together they are making new research findings and developing new approaches to prevention, diagnosis, and treatment. In this way, working together, we can discover the causes and cure of this major public health problem and eliminate or diminish it.

The Congress, by Senate Joint Resolution 55, has designated the week of May 10 through May 16, 1987, as "National Osteoporosis Awareness Week," and authorized and requested the President to issue a proclamation in observance of this event.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week of May 10 through May 16, 1987, as National Osteoporosis Awareness Week. I urge the people of the United States and educational, philanthropic, scientific, medical and health care organizations, and professionals to observe this week with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this 12th day of May, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:15 a.m., May 13, 1987]

Nomination of Hume A. Horan To Be United States Ambassador to Saudi Arabia

May 13, 1987

The President today announced his intention to nominate Hume A. Horan, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador of the United States of America to the Kingdom of Saudi Arabia. He would succeed Walter Leon Cutler.

Prior to joining the Foreign Service in 1960, Mr. Horan worked the summers of 1951–1953 as a surveyor and 1957–1958 as a crew/sculling coach at Harvard University. His first assignment as a junior Foreign Service officer was third secretary in Baghdad, Iraq. In 1963–1964 he was an attaché and Arabic language student in Beirut, Lebanon. Mr. Horan was assigned in 1964 as second secretary, political and principal officer in Baida, Libya. He returned to Washington, DC, in 1966, serving as a personnel placement officer in the African Bureau. From 1967 to 1969, he was Libyan desk officer and in 1969 went on to a congressional fellowship with Senator Muskie and

Congressman Bradford Morse. Mr. Horan was assigned in 1970–1972 as first secretary and political chief in Amman, Jordan. He became deputy chief of mission in Jidda, Saudi Arabia, 1972–1977, following which he returned to Washington as a member of the senior seminar at the Foreign Service Institute. From 1978 to 1980, he was Senior Deputy Assistant Secretary of State for Consular Affairs. Mr. Horan was appointed Ambassador to the United Republic of Cameroon in 1980 and served concurrently as Ambassador to the Republic of Equatorial Guinea until 1982. Mr. Horan was appointed Ambassador to the Democratic Republic of the Sudan in 1983 and served there until 1986, when he became diplomat-in-residence at Georgetown University.

Mr. Horan graduated from Harvard University (A.B., 1956; A.M., 1963). He was born August 13, 1934, in Washington, DC. Mr. Horan is married, has three children, and resides in Washington, DC.

Executive Order 12597—Establishing Procedures for Facilitating Presidential Review of International Aviation Decisions by the Department of Transportation

May 13, 1987

By the authority vested in me as President by the Constitution and laws of the United States of America, including Section 801 of the Federal Aviation Act, as amended (49 U.S.C. app. § 1461), and in order to provide presidential guidance to department and agency heads and facilitate presidential review of decisions by the Department of Transportation pursuant to the Federal Aviation Act, it is hereby ordered as follows:

Section 1. Executive Order No. 12547 of February 6, 1986, is revoked.

Sec. 2. The Secretary of Transportation is designated and empowered to receive on behalf of the President any decision of the Department of Transportation (hereinafter referred to as the "DOT") subject to Section 801 of the Federal Aviation Act, as amended. The Secretary of Transportation is further designated and empowered to exercise, without the approval, ratification, or other action of the President, the authority of the President under Section 801 of the Federal Aviation Act, as amended, to review and determine not to disapprove any such decision that is not the subject of any written recommendation for disapproval or for a statement of reasons submitted to the Department of Transportation in accordance with section 5(b) of this Order.

Sec. 3. (a) Except as otherwise provided in this section, decisions of the DOT subject to Section 801 of the Federal Aviation Act, as amended, may be made available by the DOT for public inspection and copying following transmission to Executive departments and agencies pursuant to section 3(c) of this Order.

(b) In the interests of national security, and in order to allow for consideration of appropriate action under Executive Order No. 12356, decisions of the DOT transmitted to Executive departments and agencies pursuant to section 3(c) of this Order shall be withheld from public disclosure for a period not to exceed 5 days after said trans-

mission.

(c) At the same time that decisions of the DOT are received by the Secretary of Transportation pursuant to section 2 of this Order, the DOT shall transmit copies thereof to the Secretary of State, the Secretary of Defense, the Secretary of the Treasury, the Attorney General, the Assistant to the President for National Security Affairs, the Director of the Office of Management and Budget, and any other Executive department or agency that the DOT deems appropriate.

(d) The Secretary of State and the Secretary of Defense, or their designees, shall review the decisions of the DOT transmitted pursuant to section 3(c) of this Order and shall promptly advise the Assistant to the President for National Security Affairs or his designee whether action pursuant to Executive Order No. 12356 is deemed appropriate. If, after considering these recommendations, the Assistant to the President for National Security Affairs determines that classification under Executive Order No. 12356 is appropriate, he shall take such action and immediately so inform the DOT. Action pursuant to this subsection shall be completed by the persons designated herein within 5 days of the transmission of the decision.

(e) On and after the 6th day following transmission of a DOT decision pursuant to section 3(c) of this Order, or upon earlier notification by the Assistant to the President for National Security Affairs or his designee, the DOT is authorized to disclose all unclassified portions of the text of such decision. Nothing in this section is intended to affect the ability to withhold material under any Executive order or statute other than Section 801.

Sec. 4. (a) Departments and agencies outside of the Executive Office of the President shall raise only matters of national defense or foreign relations in the course of

the presidential review established by this Order. All other matters, including those related to regulatory policy, shall be presented to the DOT in accordance with the procedures of the DOT.

(b) Departments and agencies outside of the Executive Office of the President that identify matters of national defense or foreign relations while a decision is pending before the DOT shall, except as confidentiality is required for reasons of defense or foreign policy, make those matters known to the DOT in the course of its proceedings.

Sec. 5. (a) The DOT shall receive the recommendations, addressed to the President, of the departments and agencies referred to in section 3(c) of this Order.

(b) Departments or agencies outside of the Executive Office of the President making recommendations on matters of national defense or foreign relations with respect to any decision received by the Secretary of Transportation under section 2 of this Order shall submit their recommendations in writing to the DOT: (1) within 4 days of the DOT's issuance of a decision subject to a 10-day statutory review period under Section 801(b); and (2) within 21 days of the DOT's issuance of a decision subject to a 60-day statutory review period under Section 801(a); or (3) in exceptional cases, within the period specified by the DOT in its letter of transmittal.

(c) The DOT shall, as soon as practical after the deadlines specified in section 5(b) of this Order: (1) if no recommendations for disapproval or for a statement of reasons are received from the departments and agencies specified in section 3(c) of this Order, issue its decision to become effective according to its terms; or (2) if recommendations for disapproval or for a statement of reasons are received, transmit them to the Assistant to the President for National Security Affairs, who, upon review, shall transmit a memorandum to the President with a recommendation as to whether or not the President should disapprove the proposed decision.

Sec. 6. (a) In advising the President with respect to his review of a decision pursuant to Section 801, departments and agencies outside of the Executive Office of the President shall identify with particularity the de-

fense or foreign policy implications of the DOT decision that are deemed appropriate for consideration.

(b) If any department or agency that made recommendations to the President pursuant to Section 801 believes that, if the President decides not to disapprove a decision, the letter so advising the DOT should include a statement that the decision not to disapprove was based on national defense or foreign relations reasons, it should so indicate separately and explain why.

Sec. 7. Individuals within the Executive Office of the President shall follow a policy of: (a) refusing to discuss matters relating to the disposition of a case subject to the review of the President under Section 801 with any interested private party, or an attorney or agent for any such party, prior to the decision by the President or his designee; and (b) referring any written communication from an interested private party, or an attorney or agent for any such party, to the appropriate department or agency outside of the Executive Office of the President. Exceptions to this policy may be made only when the head of an appropriate department or agency outside of the Executive Office of the President personally finds, on a nondelegable basis, that direct written or oral communication between a private party and a person within the Executive Office of the President is needed for reasons of defense or foreign policy.

Sec. 8. Departments and agencies outside of the Executive Office of the President that regularly make recommendations in connection with the presidential review pursuant to Section 801 shall, consistent with applicable law, including the provisions of Chapter 5 of Title 5 of the United States Code:

(a) establish public dockets for all written communications (other than those requiring confidential treatment for defense or foreign policy reasons) between their officers and employees and private parties in connection with the preparation of such recommendations; and

(b) prescribe such other procedures governing oral and written communications as they deem appropriate.

Sec. 9. This Order is intended solely for

the internal guidance of the departments and agencies in order to facilitate the presidential review process. This Order does not confer rights on any private parties.

Sec. 10. None of the time deadlines specified in this Order shall be construed as a limitation on expedited presidential review of any decision under Section 801.

Sec. 11. The provisions of this Order shall become effective upon publication in the *Federal Register* and shall govern the review of any proposed decisions of the DOT that have not become final prior to

that date under Executive Order No. 12547.

Sec. 12. References in any Executive order to any provision in Executive Order No. 12547 shall be deemed to refer to the corresponding provision in this Order.

RONALD REAGAN

The White House,
May 13, 1987.

[Filed with the Office of the Federal Register, 4:44 p.m., May 13, 1987]

Informal Exchange With Reporters on the Iran Arms and *Contra* Aid Controversy

May 13, 1987

Q. Mr. President, McFarlane says your diary shows that King Fahd and you discussed *contra* aid when he was here.

President Reagan. Bill [Bill Plante, CBS News], you know we're not going to take questions at a thing like this. But the error there was discussed. My diary shows that I never brought it up, and it shows that the King, before he left, told me that he was doing that and that he was going to increase the aid.

Q. So then, it had been agreed on before at a lower level?

President Reagan. There was no solicitation that I know of or anything of the kind. I did know, and had been informed, that he was helping, but I never brought it up.

Q. Sir, might you have encouraged him, though, at some point, by thanking him for his support for the *contras*?

President Reagan. The subject was never broached until, in his leaving, he told me

what he was doing.

Q. And what was your response at the time?

President Reagan. Oh, I think I expressed pleasure that he was doing that.

Q. Do you know how Bud McFarlane may have gotten access to that information from your diary, sir?

President Reagan. Well, it was in the Tower commission report.

Q. President Cerezo, do you share the administration's reservations about the Costa Rica peace plan?

President Cerezo. We are going to do that at this point, at this moment.

Note: The exchange began at 11:36 a.m. in the Oval Office at the White House, prior to a meeting with President Vinicio Cerezo Arévalo of Guatemala. In the first question, the reporter referred to Robert C. McFarlane, former Assistant to the President for National Security Affairs.

Appointment of Howard M. Temin as a Member of the National Cancer Advisory Board

May 13, 1987

The President today announced his intention to appoint Howard M. Temin to be a member of the National Cancer Advisory Board for the term expiring March 9, 1988. He would succeed Tim Lee Carter.

Since 1974 Mr. Temin has been American Cancer Society professor of viral oncology and cell biology at the University of Wisconsin. Prior to this he served as associate

professor at the University of Wisconsin, 1964–1969.

Mr. Temin graduated from Swarthmore College (B.A., 1955) and the California Institute of Technology (Ph.D., 1959). He was born December 10, 1934, in Philadelphia, PA. Mr. Temin is married, has two children, and resides in Madison, WI.

Nomination of George A. Conn To Be a Member of the National Council on the Handicapped

May 13, 1987

The President today announced his intention to nominate George A. Conn to be a member of the National Council on the Handicapped for the remainder of the term expiring September 17, 1988. He would succeed John F. Mills.

From 1981 to 1986, Mr. Conn was Commissioner of Rehabilitative Services in the Office of Special Education and Rehabilitative Services at the Department of Educa-

tion. From November 1980 through January 1981, he served as a member of the Reagan administration's transition team at the Department of Education.

Mr. Conn graduated from Northwestern University (B.S., 1955). He served in the U.S. Air Force, 1955–1958. Mr. Conn was born April 24, 1933, in Evanston, IL. He is married, has three children, and resides in Arnold, MD.

Remarks Following Meetings With President Vinicio Cerezo Arévalo of Guatemala

May 13, 1987

President Reagan. President Cerezo, it's been a pleasure to welcome you and to get to know you as a respected democratic leader and as a man of strong conviction. The last time a president of Guatemala visited Washington was in July of 1882. And I don't think we should wait another century before the next meeting. As neighbors, our freedom and security depend on our friendship and cooperation. We owe it to our peoples to remain close and stand shoulder to shoulder in defense of human liberty.

As Guatemala's first freely elected civilian President in two decades, you face the challenge of building and protecting democracy while ensuring the economic well-being of your people. Mr. President, your courage and tenacity are well respected here. You have begun a difficult process of economic reform and have taken effective measures to reduce violence and protect human rights. You have supported national reconciliation to heal the wounds of years of political violence. Underscoring your success,

Guatemalans of all backgrounds and occupations have rallied to join your democratic crusade. The United States, Mr. President, supports your goals of a strong, economically viable, democratic Guatemala.

And we're also pleased that you joined with the other democratically elected Presidents of Central America to bring democracy and peace to the region and security to your respective countries. The United States is ready to cooperate with you and other democratic leaders in any process that brings democracy to Nicaragua, which is the key to peace in Central America. Democracy, if it is to have a chance in your region, must not be threatened by a dictatorship bent on expansion and supported and maintained by the enemies of freedom. The United States stands with you and others who seek freedom and would live at peace with your neighbors.

Well, President Cerezo, as I bid you farewell, I want to congratulate you once again on your achievements. It's been an honor to have you as our guest. And I look forward to cooperation continued between our two nations in the years ahead.

President Cerezo. Dear Mr. President, I have to tell that I came to the United States to inform how the Guatemalan people is working now to build democracy in that country. We are working in a process. It's a process builded by the Guatemalan people after a long term, a long period of violence

and confrontation. We are tired to see our people killed. We are looking for the peace in our country and in the region.

And we came here to discuss how we can contribute with the United States and other countries in our region to build the real peace and the real democracy in our countries. We really believe that democracy, solidarity, and respect of the other countries is the only way to build the peace in our region and in the world. Please, all the Americans, feel in Guatemala a country, friend of the United States, a country who respects the United States, who want to be respected by the United States. Thank you very much for receive us.

And I have to let you know that our proposal in our country and in the region is to work for democracy and for peace in agreement with everybody, and especially with your country.

Thank you very much.

Reporter. Are the hearings hurting your credibility, sir? Are the hearings hurting your credibility, do you think?

President Reagan. I think they're doing fine.

Note: President Reagan spoke at 1:28 p.m. at the South Portico of the White House. President Cerezo first spoke in Spanish and then repeated his remarks in English. Earlier, the two Presidents met in the Oval Office and then had lunch in the Residence.

Memorandum on Argentina's Decision to Eliminate Export Taxes on Soybeans and Soybean Products

May 14, 1987

Memorandum for the United States Trade Representative

Subject: Determination Under Section 301 of the Trade Act of 1974

Pursuant to Section 301 of the Trade Act of 1974, as amended (19 U.S.C. 2411), I have determined that suspending our investigation under Section 301 is an appropriate and feasible action in response to the deci-

sion by the Government of Argentina to eliminate export taxes on soybeans and soybean products. The United States Trade Representative initiated this investigation of Argentina's system of differential export taxes on soybeans and soybean products on April 25, 1986, in response to a petition filed by the National Soybean Processors Association on April 4, 1986.

I direct you as the United States Trade

Representative to notify the Government of Argentina of my determination and to take any actions necessary to implement and monitor it. I also direct that the Section 301 proceeding be suspended temporarily until the Government of Argentina fully implements its decision, at which time I direct you to terminate the proceeding.

Reasons for Determination

In its petition, the National Soybean Processors Association alleged that Argentina's differential export tax system had caused an increase in exports of Argentine soybean meal and oil to third countries and a decrease in U.S. exports of these products. Currently, the Government of Argentina imposes a 15 percent export tax on soy-

beans, but only a 3 percent tax on soybean meal and oil.

Recently the Government of Argentina informed the United States Trade Representative that it had decided to eliminate the export taxes on soybeans and soybean products within 180 days. When implemented, this action will eliminate the practice under investigation.

This determination shall be published in the *Federal Register*.

RONALD REAGAN

[Filed with the Office of the Federal Register, 12:05 p.m., May 15, 1987]

Note: The memorandum was printed in the "Federal Register" of May 18.

**Statement by Assistant to the President for Press Relations
Fitzwater on the President's Meeting With Members of the
Philippine-United States Business Committee
May 14, 1987**

President Reagan told the U.S.-Philippine Business Committee today that the time is right to invest in the Philippines. In an Oval Office ceremony for the U.S. charter members, the President praised the commitment of these American corporate leaders, their chairman, Maurice Greenberg, and the sponsoring institution, the U.S. Chamber of Commerce, to expand American trade and investment ties with the Philippines. He recalled the extraordinary progress President Aquino has made toward restoration of democracy and the rekindling of economic growth, and pledged to contin-

ue to seek ways to contribute to Philippine economic recovery.

The Business Committee, a joint initiative agreed upon during President Aquino's visit to the United States last September, is designed specifically to promote and facilitate trade and investment flows between the two countries. The group will coordinate strategy with a counterpart of over 30 Philippine business leaders. Committee leaders and their Philippine counterparts will meet next month in Manila for an initial joint planning session.

Remarks and a Question-and-Answer Session With Southeast Regional Editors and Broadcasters

May 15, 1987

The President. Thank you all, and welcome to the White House. I'm delighted we could have a few moments together today, and I'm anxious to get to your questions. But first I thought I'd begin by giving you a little report on two stories that have been coming over the wires. They're what those of you in the newsroom would call developing stories that will be, I hope, a source of increasing focus and interest.

The first issue has to do with the yearly battle of the budget. Now, I know that's not the sort of story that readers turn to first or that always make the evening news. But I mention it because I believe the budget battle will eventually emerge not as a parochial argument but as a larger issue, and it will be: "Will we return to the days of unrestricted Federal spending? Will the specter of high taxes and inflation and even higher trade deficit haunt us once again?" As all of you know, the Congress decided a year-and-a-half ago to get uncharacteristically serious about deficit spending, and they adopted the Gramm-Rudman-Hollings resolution, which would gradually shrink the Federal deficit and, by 1991, give us—and brace yourselves for this—a balanced budget.

When Gramm-Rudman-Hollings was first enacted, there were all sorts of pious declarations from Congress about living up to its yearly deficit targets. However, I have to tell you that that commitment to Gramm-Rudman-Hollings is rapidly disintegrating. The House continues to pass spending bills like the highway authorizations bill that I had to veto recently. As I said at the time, I hadn't seen so much lard since I handed out blue ribbons at the Iowa State Fair. Over in the Senate, a legislative procedure was recently adopted that makes it far easier to override the budget deficit and spending limits. Congress is back to doing what comes natural: playing to the special interests and failing to meet its budget responsibilities. If the Congress continues on this course, we'll go to the American people and make our case. And as this battle heats up, I

think it's going to be increasingly understood that the congressional budget process itself, with its missed deadlines and its gigantic catchall spending bills, is fatally flawed.

The executive branch must be given new powers to reach into those pork-barrel spending bills and cut out the waste, and that means giving the President what the Governors of 43 States have: the line-item veto—or better yet, enhanced rescission authority. I've noticed that everywhere I go, to any audience, I've mentioned that line-item veto, and it gets a strong reaction. Whoever would have thought a few years ago that line-item veto would be an applause line? I think the public is increasingly aware of the problem in the Congress and the need to do something about it. And that's why I think you're also going to see increasing support for the balanced budget amendment. Unlike Gramm-Rudman-Hollings, it would make a balanced budget in the 1990's a matter of the Constitution, and not just a law. We need that amendment.

But there's another twist to the budget problem that you should know about. Well, it's called: Let's cut defense. As I said in my radio address on Saturday, defense spending is always the first thing to be sacrificed, canceled, or delayed, even while the boondoggles sail through untouched. Despite all the progress that we've made in rebuilding our nation's defenses, the Congress now wants to reverse course. For 2 years in a row, it has cut defense appropriations below previous levels in real terms. The current fiscal year 1987 defense budget is actually 6 percent less than the one Congress itself approved for 1985. And even now we hear voices saying that the fiscal year 1988 defense budget should be taken even lower. Now, this isn't only irresponsible from the standpoint of our national security, it also goes to the heart of our bargaining credibility with the Soviets.

At the very moment when vitally important arms reduction treaties are on the

table in Geneva, some in the Congress want to take on responsibilities that are not theirs, and I refer here to the business of conducting arms negotiations. And this is the second point that I wanted to make. Several amendments have been offered in the Congress such as those dealing with nuclear testing and SDI that would undermine our negotiating positions in Geneva and tie my hands in the conduct of a vital part of our foreign policy, not to mention the fact it would give the Soviets negotiating victories that they can't win at the bargaining table. These trends are dangerous and if they continue will become the focus of a major national debate. I bring all this to you for a simple reason: The Congress is a large, amorphous institution; it can't be held as accountable as an individual can. But those in the Congress have a duty to report to the folks back home on where they stand on these issues, and I think you would agree that no one plays a more vital role than you in asking them about these issues and their stand on them.

And with that said, let's make it a dialog instead of a monolog. All right?

Iran Arms and Contra Aid Controversy

Q. Mr. President, Bill Sharp from WCSC in Charleston, South Carolina. Mr. President, to those people who might say your Presidency and you have been mortally wounded by the Iran-*contra* affair, how would you answer those people?

The President. Well, sometimes before I've used a line from an old Scottish ballad to the effect that, yes, I'd been wounded—"I'll lie me down and rest a bit, and then I'll fight again."

Q. Liz White, WSM Radio in Nashville. My general manager says I can't go home unless you read this aloud. [Laughter]

The President. Oh, boy! [Laughter]

Q. Please. [Laughter]

The President. "I'm Ronald Reagan. Whenever I'm in Nashville, I listen to Radio 650, WSM—[laughter]—the 50,000-watt blowtorch of the South." [Laughter]

Q. Could you do it one more time—

The President. All right. What's that?

Q. Could you do it one more time? And everybody be quiet. [Laughter]

The President. Oh, I thought they were

all quiet. Well, the last part was the only place where you started to laugh. "I listen to Radio 650 WSM, the 50,000-watt blowtorch of the South."

Q. Thank you.

The President. Well, it's just like being back at WHO. [Laughter]

Incidentally, on that short answer that I gave you on mortally wounded—I have to say that I get around quite a bit in the country, and the audiences range from blue-collar workers in a factory, as they did just a few days ago, to students and their families at a graduation ceremony. And I haven't seen any evidences that I've been mortally wounded, nor do the people seem to be unhappy about what we've been doing here.

Let me kind of—all right?

Q. Mr. President, Meredith Oakley with the Arkansas Democrat. Mr. McFarlane has claimed that he briefed you dozens of times regarding the activities that were going on regarding *contra* aid, and yet you have repeatedly said that you were not aware of any of the nuances of the things that were going on. In light of his testimony, what action have you taken to make sure that your directives that the NSC [National Security Council] not be involved in implementing such operations—what actions have you taken to see that those directives are followed out?

The President. Well, we have taken actions in that, and I know that Frank Carlucci has made a number of changes there in the NSC. But I think something that's gone on in all of these investigations—that could also lead to your question—is this linking of Iran and *contra* aid. And they've seemed to try to portray me as claiming to be uninformed about everything.

No, in the Iranian situation, in which representatives of their government, not the Khomeini—we were not doing business with him at all. We were doing business with people that could have gotten shot if exposed as dealing with us, and they were thinking in terms of what might be a future Iranian Government in view of the health of Khomeini and so forth. And they wanted to make a contact to see if we couldn't discuss how we could have better relations.

I immediately took them up on that.

We've been, for months and months—years, as a matter of fact—trying to find ways to bring an end to that brutal war there that's killed a million people so far. And they were the ones that brought up the subject of arms for them, first of all, to enhance their stature, but also to prove that they were talking to representatives that could reach up to the top of our government—in return for that—because we had put Iran on the “no trade” list due to their support of terrorists.

Our answer to that was, well, they could do something—we told them we couldn't do business for that reason. They replied that they were opposed also to the support of terrorism. Well, we said there's a way to prove it. Maybe you'd like to use your influence with the Hizballah [radical Shi'ite terrorist organization in Lebanon], which has a kind of philosophical relationship with Iran, to get our people back, our hostages. And so this is what happened in that situation.

It was kept covert to protect the lives of those people we were dealing with. When the news leaked and it suddenly burst all over the world, we were very concerned about that. But out of that, for the first time, we learned that I had not been informed—that our representatives somehow—there was more money than the \$12 million that we received and that some of that money was deposited in an account that it was reported funneled aid to the *contras*. Now, this was all new. I am still waiting to find out the final details of where did that extra money come from, who did it belong to, and where did it go.

Now, the Iranian situation—or I mean the *contra* situation—and I'm going to start calling them freedom fighters. *Contra* was a term of derogation imposed on them by the Sandinistas. These are people who are fighting for democracy and freedom in their country. And here there's no question about my being informed. I've known what's going on there. As a matter of fact, for quite a long time now, a matter of years, I have been publicly speaking of the necessity of the American people to support our program of aid to those freedom fighters down there in order to prevent there being established a Soviet beachhead here in the

Western Hemisphere, in addition to the one we already have in Cuba. And to suggest that I am just finding out or that things are being exposed that I didn't know about—no. Yes, I was kept briefed on that. As a matter of fact, I was very definitely involved in the decisions about support to the freedom fighters. It was my idea to begin with.

But now—yes?

Colorization of Black and White Films

Q. Mr. President, Norm Vincent, WJCT, Jacksonville, Florida. It seems to be a subject of talk of this town recently, and I would like your opinion whether you find it sinful or not, whether the colorizing of great black and white classics—[laughter]—offends you—“Bedtime for Bonzo,” “Knutie Rockne,” and the like. How do you feel about that?

The President. Well, I can understand the artistic argument that people raised because of an art form that did deal in black and white photography. And I think, now and then, when you see some of those golden oldies you're amazed again at the great beauty that could be produced in that. So, I can understand their artistic resentment of this change, this artificial coloring of the movies. On the other hand, I can understand the business problems of those who invested the money and who own the films and who know now that there isn't a market for black and white. So, frankly, I just question whether this is a problem to be settled by government in any way. [Laughter]

The gentleman here who stood up. No, here. Then I'll move back there.

Iran Arms and Contra Aid Controversy

Q. Thank you, Mr. President, Hugh Smith, WTVT Television in Tampa. Back to the hearings for a moment. Mr. McFarlane, as you know, testified yesterday that you personally approved a \$2 million bribe and ransom plan to get the hostages out. He said he discussed it with you, the Vice President, and possibly [former Assistant to the President and Chief of Staff] Don Regan. Could you respond to that?

The President. I'm having some trouble

remembering that, but then I want to tell you that there were so many things going on and so many reports, and some of this was during the time that I was laid up in the hospital and so forth. I don't recall ever anything being suggested in the line of ransom. I do know that we were constantly receiving ideas and exploring ways in which we could try to get our hostages back. And I believe this is a definite responsibility of the government, and we should do that.

But it's possible that what we're talking about was use of money to pay people and hire individuals who could effect a rescue of our people there. And I've never thought of that as ransom. But, again, I'm having some trouble, just as Bud had some trouble himself with some of the questions that were asked him. There was an awful lot going on, and it's awfully easy to be a little short of memory.

Q. Well, is it possible that such a conversation then took place, to the best of your recollection?

The President. Yes, but I would suggest that never would it be termed ransom, because that, from the very first—we will not pay a ransom to kidnapers, because it's only going to cause more taking of hostages.

Q. Mr. President, John Pruitt from WXIA-TV, Atlanta. Congressman Ed Jenkins has raised some questions about contributions Taiwan made to the *contra* freedom fighters' fund. He's raised questions because there was a trade bill pending then that would have been damaging to Taiwan. It was a bill that you later vetoed. Are you concerned about questions this may raise about pressure, implied or otherwise, on Taiwan to make a contribution to the *contras*?

The President. Anyone who would tie things like that together—they're just—it's totally dishonest. No, there has never been any such thing. I have not myself directly ever engaged in soliciting from other countries, but I know that this wasn't even prohibited by the Boland amendment. As a matter of fact, it specified that under the Secretary of State we should encourage such support to the freedom fighters in Nicaragua.

It hasn't been just the Soviet Union, whose help has been counted in the bil-

lions. Other Communist countries, Libya, the PLO—all of these, we're aware, have been providing help and support to the Sandinistas, to that Communist government there. And so, there was nothing wrong, and I don't see anything wrong with other countries that share our feeling about democracy—even though this is in this hemisphere—would come to the aid of these freedom fighters, just as we have come to the aid of causes similar to this, not only in the Western Hemisphere but in other countries in Asia and Europe as well—Africa.

And so, I don't see any tie of that kind at all. And I see nothing wrong, also, with the joining in by volunteer groups and individuals, citizens here in our own country, of helping out in that cause. I'd like to call attention to the fact that in speaking to the British Parliament several years ago I called attention to the fact that only the Communist bloc seemed to be busy in trying to further spread their philosophy to other countries, and I suggested that we of the democracies should have some plans of doing that. And such a thing was organized in which we have been—the democratic nations of the world, together—trying to help democracy.

Q. Mr. President, my name is Tim Kent from WRAL-TV in Raleigh, North Carolina. I don't mean to contradict your earlier answer to the gentleman's question regarding your feeling of national pulse, but for the last 6 months public opinion surveys have indicated a significant drop in terms of public support of both you and your policies. In all frankness and candor, sir, how would you respond to that, and how do you account for that?

The President. Well, our own pollster, who I think is the best in the business, who's been with us for years, has found that my approval rating stays at 53. It is true that there have been peaks in which it has shot up higher than that. But 53 happens to be the same rating in the sixth year of the Presidency of a two-term president—Dwight Eisenhower had that rating. And it is the only time in the history of ratings that in the sixth year of a two-term Presidency has a President had that high a rating. That's the highest.

But also, I think it's the way the questions are asked. For example, I know a question in a poll that revealed a great majority didn't believe that I had told all the truth to the people. But someone was smart enough to ask—a poll of that kind—another question: How many of them thought it was all right if they weren't hearing the truth? And a huge majority of that majority that thought I wasn't said they believed there were things that a President shouldn't be forced to tell the people while they were going on.

I have been telling the truth. I told the truth when I went before the press and before both the leadership of both Houses of the Congress. When the first hint came that there was more money than the \$12 million—as I spoke a moment ago, telling about that—I told everything that I knew in both instances. And I am still waiting, as are others, to find out some of those answers, because I had not been informed of anything or any extra money and so forth. But I also know, too, that a recent question has just been taken by a pollster, and you know, a lot depends on how the questions are worded. And this one—speaking of the freedom fighters in Nicaragua—asked do the people believe and will they support opposition to the establishment of a Soviet beachhead here in the Western Hemisphere, and 80 percent said, yes, they would advocate support for resistance to such a thing.

I'm going to take the young lady's question there, and then this—I'm overtime now, I guess.

Aid to the Contras

Q. Sarah Fitz, WSVM in Miami. With all that's going on, what priority are you going to give your battle with Congress to get more funding for the freedom fighters in Nicaragua?

The President. Oh, we're going to keep on with that, and I'm going to keep on taking my case to the people. I have a philosophy about legislatures. It came to my mind while I was Governor. And that was that you don't necessarily make them see the light, you make them feel the heat. So, if it's necessary to go to the people and tell the people what our purpose is and win their support. I still recall the speaker of one house of the State legislature in California coming into my office on the subject of welfare reform one day. It's one of my happiest memories in public life. He walked in with both hands above his head, and he said, "Stop those cards and letters."

Well, anyway, thank you all very much. I'm sorry we can't go on. And I always regret the hands that were up, but that I couldn't get to. Thank you all. God bless you.

Note: The President spoke at 11:30 a.m. in Room 450 of the Old Executive Office Building.

Proclamation 5655—World Trade Week, 1987

May 15, 1987

*By the President of the United States
of America*

A Proclamation

Each year, World Trade Week celebrates the many benefits of international trade to our country and all countries. This commerce strengthens our economy in many ways. Exports expand our business and employment opportunities: in the growing world marketplace, over 5 million Ameri-

can jobs are related to foreign sales. Imports also enrich our lives. Foreign goods increase consumer choice both in terms of quality and price. Competition from foreign producers provides an important stimulus to American producers to maintain and enhance the quality of American-made products.

Americans can be proud of the role our country plays in international trade. We are the world's largest participant in interna-

tional commerce. We have also taken a leading role in ensuring the expansion of international trade around the world. Our initiative has made possible successive monetary and trade agreements that have integrated world markets and offered unprecedented prosperity. We have extended friendship to former adversaries and have seen them grow into valued trading partners. Through our impetus, the developing and newly industrialized countries become fully accepted into the world trading community.

As increased trade has led to increased integration of world economies, the growth of the world economy has become more dependent on achieving better coordination of macroeconomic policies and continued adoption of sound microeconomic policies to facilitate structural adjustment. Thus, it is crucial that cooperative solutions be found to the problems faced in the international economy.

For its part, the United States must work to regain and sustain our competitiveness in world markets; continue with its efforts to expand and improve the ground rules of world trade provided by the General Agreement on Tariffs and Trade; and resist pressures toward protectionism. The futile prescription of protectionism would only fuel inflation; lower economic growth; and invite retaliatory policies against our exports.

It is also important for our trading part-

ners to do their part—by dismantling protective barriers around their home markets and allowing more open competition; by adopting fiscal, monetary, and exchange rate policies that are in line with goals of stable growth with low inflation; and by helping resolve the problem of Third World debt.

The challenges we face are difficult. They require the strong resolve of all nations. We can and will succeed in these ventures that offer much for the American people and for the peoples of the world.

Now, Therefore, I, Ronald Reagan, President of the United States of America, by virtue of the authority vested in me by the Constitution and the laws of the United States, do hereby proclaim the week beginning May 17, 1987, as World Trade Week. I invite the people of the United States to join in appropriate observances to reaffirm the great promise of international trade for creating jobs and stimulating economic activity in our country and for generating prosperity everywhere.

In Witness Whereof, I have hereunto set my hand this fifteenth day of May, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:53 a.m., May 18, 1987]

Proclamation 5656—National Fishing Week, 1987 *May 15, 1987*

*By the President of the United States
of America*

A Proclamation

It is most fitting that we take time to salute the role of fishing in the lives of Americans. Fishing greatly aids our economy, is a source of healthful food, promotes respect for sound conservation and for the bounty and wonder of our natural resources, and introduces millions of people

to the benefits of outdoor recreation.

Today, roughly a quarter of all Americans call sport fishing one of their favorite outdoor activities. Fishing represents a fine opportunity for all of us, especially children and young adults, to discover a wholesome, relaxing, and enjoyable pastime. Fishing can teach us the importance of clean water and a stable aquatic environment. Recreational fishing also contributes much to our economy, and each year provides millions of dol-

lars in revenue for fishery restoration projects. Fishermen take pride in our abundant fishery resources and work diligently for their continued well-being.

In recognition of all that recreational fishing and the commercial fishing industry do for America, the Congress, by Public Law 100-22, has designated the week of June 1 through June 7, 1987, as "National Fishing Week" and authorized and requested the President to issue a proclamation in its observance.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week of June 1 through June 7, 1987, as National Fishing

Week. I encourage all Americans to join with anglers and all who treasure our Nation's fisheries as they work to ensure superior fishing opportunities for our children and for generations to come.

In Witness Whereof, I have hereunto set my hand this fifteenth day of May, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:54 a.m., May 18, 1987]

Statement on the Death of Rita Hayworth

May 15, 1987

Rita Hayworth was one of our country's most beloved stars. Glamorous and talented, she gave us many wonderful moments on stage and screen and delighted audiences from the time she was a young girl. In her later years, Rita became known for her struggle with Alzheimer's disease. Her cour-

age and candor, and that of her family, were a great public service in bringing worldwide attention to a disease which we all hope will soon be cured. Nancy and I are saddened by Rita's death. She was a friend who we will miss. We extend our deep sympathy to her family.

Statement on Signing a Bill Amending the Bankruptcy Code

May 15, 1987

I am today signing S. 903, a bill "To extend certain protections under title 11 of the United States Code, the Bankruptcy Code." This legislation amends substantially identical provisions of two different laws, Public Law 99-591 and Public Law 99-656, to extend their operation from May 15, 1987, until September 15, 1987. Both laws require the payment of certain benefits to retirees of business organizations in chapter XI bankruptcy proceedings (involving business reorganizations) and apply to cases pending under chapter XI in which benefits were being paid on October 2, 1986, and to all such cases in which an order for relief is entered after that date.

Those provisions are unobjectionable. I must note my serious concern, however, with the extension of subsection 2(b)(3) of Public Law 99-656. That provision requires a particular bankruptcy trustee, in a case identified by reference to the circumstances of its bankruptcy proceedings, to continue to pay certain benefits to retired former employees. Under the Constitution, the Congress is authorized to establish "uniform Laws on the subject of Bankruptcies throughout the United States." Subsection 2(b)(3) singles out a specific firm. It amounts to a private bankruptcy law, which is beyond the Congress' constitutional authority to enact. I believe, therefore, the exten-

sion of this provision is unconstitutional.

In considering this legislation, I am of course aware that when the Congress enacted the temporary bankruptcy provisions of Public Laws 99-591 and 99-656 it did so for the express purpose of "freezing" the status quo, while it considered possible permanent amendments of the Bankruptcy Code in the area of pension benefits. I understand that these deliberations are still under way. For that reason, and because the extensions contained in S. 903 are both temporary and brief, I am persuaded in this unique circumstance to give the Congress additional time to ponder a more perma-

nent and constitutionally sound response to the problems facing retired workers by approving S. 903.

In approving this legislation, however, I must once again underscore my belief that the purported extension of subsection 2(b)(3) of Public Law 99-656 constitutes an unconstitutional private bankruptcy law. Because of its unconstitutional nature, I have directed the Attorney General not to defend it.

Note: S. 903, approved May 15, was assigned Public Law No. 100-41.

Remarks at the Uniformed Services University of Health Sciences Commencement Ceremony May 16, 1987

Thank you all very much. And Secretary Weinberger, Chairman Olch, Dean Sanford, members of the graduating class, and ladies and gentlemen, I must tell you before I start how relieved I was when Dean Sanford told me that I was going to walk on after the procession. I thought that I was going to come in with the dean, and with his reputation, I'd been afraid that the good news was that we might perch on the backstage rafters and rappel in—[laughter]—and the bad news, that we'd jump from 10,000 feet. [Laughter] But it's a pleasure to be here to welcome you the graduates of this the West Point and Annapolis and Colorado Springs for physicians into your new profession as military and Public Health Service doctors.

You know, I hope you won't mind if I pause for a minute, but that reminds me of something. At my age, everything reminds you of something. [Laughter] People will be calling you doctor. And there are all kinds of doctors. I'm even one kind of doctor. Last week down at Tuskegee University, at the commencement there, I was awarded an honorary degree. I am a doctor of laws now. And I told them at that time that they had compounded a sense of guilt I had nursed for some 55 years, because I always

was suspicious that the first degree I got, when I graduated from college, was honorary. [Laughter] You know, I was devoted to some other activities, such as football and swimming and campus dramatics. And I've often wondered, since, if I'd spent more time and worked harder as a student how far I might have gone. [Laughter]

But seriously, there's no doubt about what you, with your hard work, have accomplished. The British poet Robert Louis Stevenson, once said: "There are men and classes of men that stand out; the soldier and the sailor, not unfrequently, and the physician almost as a rule." Well, today you become both: soldier, sailor, or airman and physician. Today you enter one of the oldest and most honored ranks in the service of America's freedom. Today you take up the flag once carried by men like Army Major Walter Reed, Rear Admiral Edward Stitt, Air Force Major General Harry Armstrong, and Public Health Service Surgeon Joseph Goldberger.

Yes, ever since the Continental Congress established the Army and Navy medical services in 1775, patriots like these men and women, and like you, have carried their powers of healing onto the battlefields and to swamps and deserts, mountains and

plains, all around the world. Their accomplishments reach into almost every area of medicine. For almost a century, for example, America's uniformed services have been the world's leader in the battle against tropical diseases. They entered the fight in the jungles of Panama after Walter Reed and his team took less than a year to determine the cause of yellow fever. Today, after decades of progress, your faculty at USUHS is helping military medicine to continue leading the charge. It is testing new vaccines for malaria as well as for adult dysentery, a major tropical killer.

In field after field, America's doctors in uniform have pushed forward the battle lines of medical treatment, even while under fire. Military physicians developed the use of massive blood transfusions in treating shock and trauma. They pioneered burn research and treatment. They found how man could live at higher and higher altitudes and finally in outer space itself. And again, of course, your faculty continues the tradition, leading in such areas as research on vascular surgery and reconstruction, the development of treatments for lacerated eyes, and in developing computer graphic tools for medical teaching and research.

When I hear about the can-do spirit of America's doctors in uniform, it reminds me of a story about a group of marines. I hope those of you in the other services will forgive me for telling this, but the get-it-done spirit applies to all of America's physicians in uniform. These marines had been sent to the Army airborne school for training. And came the day for the first jump, the training officer told them that the planes would come in at 1,500 feet, they would jump from the plane, hit the ground, and move south. The marines seemed a little disturbed by this, and they went into a huddle. Then one of them as a spokesman for the group went to the officer and asked couldn't the plane come in at 500 feet instead of 1,500? And the officer explained that if they took the plane in too low, it wouldn't give them time for the parachutes to open. And he said, "Oh, you mean we're wearing parachutes?" [*Laughter*]

America's physicians in uniform have always been leaders, and in the 10 years

since its first class, USUHS itself has found a place as a leader in American medicine, a leader in teaching as well as in research. As students, you went through one of the most rigorous programs in the country. You took 640 hours of training in military medicine on top of your standard curriculum. You prepared yourselves to treat patients anywhere in the world, under any circumstance, because yours is the only medical school in America that trains physicians to be ready for duty on the bottom of the ocean or on the surface of the Moon and anyplace in between. Recently, the noted Houston surgeon, Dr. Ken Mattox, echoed the medical community's growing esteem when he said, in picking interns and residents: "Give me a USUHS student any day." Yes, today USUHS is the kind of school that Congressman F. Edward Hébert had in mind during his 25-year crusade to establish a military university for medicine. It's helping our military become, in medicine as in so many areas, the best it's ever been.

You know, among the most gratifying parts of my job is visiting our Army, Navy, and Air Force bases around the world. Time and again, I've been told that our young recruits are the best we've ever had—the best educated, the most dedicated—and I've seen it for myself. For a long time, some people said that the weak economy was the reason. But then we began on what is now 54 months of economic expansion, along the way creating over 13,600 million jobs and still counting. Today a greater proportion of Americans is at work than ever before in our history, and yet we're continuing to get the best recruits.

A new burst of quality—that's what I've heard about USUHS applicants, too. USUHS has always selected outstanding classes, from that first class of 32 over a decade ago to this year's entering class of 163. But I understand that the quality of the total pool of applicants from which the classes are chosen shot up 6 years ago, just as the quality of all those who wanted to enter the military did. And again and again, when you ask why, the answer has come back more or less the same: It has something to do with patriotism, service. It's again a

proud thing to wear the uniforms of the United States. It's again a noble thing to serve in the cause of freedom and the defense of liberty around the world.

There are some who say we've been in a period of "me, me, me" the last 6 years. Well, I say they should go to any American military base in the world or they should come here today. They should meet you, America's young patriots. You're the best we've ever had. You carry on a more than 200-year-old tradition of service, and you carry it as proudly today as it has ever been carried. And that goes for your faculty as well. USUHS has more than 1,500 faculty members, most of them affiliated with other schools or institutions, but who donate their time to USUHS, donate it because that's a way to serve our country.

A quarter century ago, Douglas MacArthur gave his farewell address to the Long Gray Line, the cadets of West Point. He stood in the vast hall of the academy, below the balcony they call the poop deck, and spoke about the soul, not just of the Army but of all the services that you now enter. "The Long Gray Line," he said, "has never failed us. Were you to do so, a million ghosts in olive drab, in brown khaki, in blue

and gray would rise from their white crosses thundering those magic words: duty, honor, country."

Duty, honor, country—the motto of West Point. And like the men and women of West Point and all of our military institutions, our physicians in uniform have never failed us. They've been ready when called; ready for hardship and sacrifice, for adventure and exploration; ready to extend the hand of compassion and healing care; ready, if called, to give the last full measure of their devotion. And you now join that company. You now enter the service of your country in one of the world's most honored professions: that of physician.

And so, as your Commander in Chief, I say to you today, on behalf of a grateful country, good luck, congratulations, Godspeed. Thank you, and God bless you.

Note: The President spoke at 11:05 a.m. in the Concert Hall of the John F. Kennedy Center for the Performing Arts. In his opening remarks, he referred to Secretary of Defense Caspar W. Weinberger; David I. Olch, Chairman of the University's Board of Regents; and Jay P. Sanford, president of the University and dean of the School of Medicine.

Radio Address to the Nation on Free and Fair Trade and the Budget Deficit

May 16, 1987

My fellow Americans:

There's been a great deal of talk lately about trade, some of it suggesting we should protect American companies from foreign competition. I don't believe the American people are afraid of competition. That was made clear to me when I visited a Harley-Davidson plant recently. It's a great story; let me tell you about it.

Not that long ago, it was being said that Harley-Davidson, America's preeminent manufacturer of motorcycles, couldn't keep up, that the company was running out of gas and sputtering to a stop. Well, one of the worst mistakes anybody can make is to

bet against Americans. At Harley-Davidson the workers and management got together and decided not only to compete but to win. With unity of purpose and a commitment to excellence, they cut the hours of work needed to make a motorcycle by one-third. Their inventory was reduced by two-thirds. And they tripled the number of defect-free machines they shipped. Productivity was improved. Prices were kept under control; on some bikes, they even lowered prices. While doing all this, they expanded their product line from 3 models 10 years ago to 24 this year.

Today, Harley-Davidson is once again a

leader in developing new motorcycle technology. They're now selling more and more bikes on virtually every continent of the Earth. In fact, they are the only major motorcycle manufacturer in the world to have increased production last year. And, yes, they have also increased exports. These Americans, confident in themselves and their product, have asked that their special tariff be removed so that they can meet their competition head on. Current law provides companies like Harley-Davidson breathing room by applying temporary tariffs. Unlike some of the broad, sweeping protectionist legislation being bandied about in Washington, the idea is, ultimately, to increase trade between nations, not impede it.

When you hear talk about a tough trade bill, remember that being tough on trade and commerce, the lifeblood of the economy, will have the worst possible consequences for the consumer and the American worker. First, it will drive up the price of much of what we buy. But worse than that, it could drag us into an economy-destroying trade war. I'm old enough to remember the last time a so-called tough trade bill passed Congress. It was called Smoot-Hawley, and it helped give us, or at least deepened, the Great Depression of the 1930's. Well, the way up and out of the trade deficit is not protectionism, not bringing down the competition, but instead the answer lies in improving our products and increasing our exports. The Government should work to create the conditions in which fair trade will flourish. We should be trying to foster the growth of two-way trade, not trying to put up roadblocks, to open foreign markets, not close our own. As I told them at the Harley-Davidson plant, it's time to gun the engines, not put on the

brakes.

Well, after visiting the Harley-Davidson people, it's hard not to have confidence that, in the years ahead, America is going to be even more competitive, more aggressive, and more productive. We can meet the challenge and bring the trade deficit down. And the same is true of that other deficit we face. Each year our government has been spending more than it receives in tax revenues, pushing up the Federal debt. Some elected officials would solve the deficit spending problem simply by taking money out of your pockets via tax increases. Well, that would be unfair to you and could well knock the legs out from under our economy. I believe the more responsible course, the fairest approach, is to get Federal spending under control.

This year total Federal spending is projected to increase only 2½ percent over 1986, well below the rate of inflation. The U.S. Government will command less of the overall economy than it has since 1981, nearly a full percent of gross national product less than last year. But the budget and other legislation now being considered by the Democratic Congress threatens to undo the progress that we've made over the last 6 years. They would increase spending for a wide array of programs and raise taxes to reduce the deficit.

Well, that's not my idea of deficit reduction, and I don't think it's yours, either. This is not just an issue for Washington power-brokers. It is something all of us should be concerned about, and I hope you will let your representatives know where you stand. Until next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from the Oval Office at the White House.

Remarks at the Presentation Ceremony for the "E" and "E Star" Awards

May 18, 1987

Secretary Baldrige, Ambassador Yeutter, and Secretary Lyng, good morning to all of

you. It's a great pleasure to have all of you here, not only to celebrate World Trade

Week but to celebrate you, the men and women at the cutting edge of American competitiveness. One of America's greatest assets is the skill and professionalism of its businessmen and women, and entrepreneurs. The can-do spirit of our business community is in stark contrast to the inefficiency and poor performance often associated with other economic systems.

Of course, mistakes do happen. You know the story of the fellow who ordered a bouquet of flowers to be sent to the opening of his friend's new branch office. And when he got there, he was shocked to see flowers with the inscription, "Rest in peace." [Laughter] He was so outraged that on the way home he stopped at the florist to complain. And the florist said, "Just think of it this way, today someone in this city was buried beneath a flower arrangement with the inscription, 'Good luck in your new location.'" [Laughter]

But it is truly wonderful to have you here. Export leaders like you are living proof that we can compete in world markets. The latest trade statistics, which were released last Thursday, clearly show that things are improving and we're on the right path. Our overall trade deficit declined in March, closing out the third consecutive quarter with a substantial decline. The data on the actual trade volume, the physical amount of goods we import and export, suggests that we will continue to see these kinds of improvements in the months ahead. More important, exports rose by \$3.6 billion to the highest level since March of 1981.

I've said all along that the solution to our trade deficit is to export more, not import less by closing our borders. I recognize that the substantial improvement in exports is due to people like you. You demonstrate that the American entrepreneurial spirit is still the guiding spirit of the world economy, just as the American economic recovery of the 1980's has been the energizing force of world growth. That recovery wasn't brought on by raising taxes. It wasn't brought on by protectionism—trade barriers, tariffs, and quotas—which is simply another form of taxes. Our economic renaissance was brought on because we cut tax rates and keep cutting them. We slashed

unnecessary and counterproductive regulations and held back the destructionist threat to world trade while aggressively working to open markets abroad.

If you want to see how strong our expansion is you just have to look at the numbers—and the numbers that really count. Unemployment just took another dive to 6.2 percent, the lowest level since the start of the decade. Three hundred and fifty thousand jobs were created last month alone, even more than the already impressive average of 257,000 jobs a month that we've been creating since this expansion began. Altogether, that's 13.6 million new jobs, and a full 60 percent of those jobs are in high-paying occupations, such as managerial, professional, and technical. So much for the so-called declining middle class. Since 1982 manufacturing productivity is shooting ahead at the fastest pace in 20 years, and output has soared almost 30 percent. In the last 4 years we've added more manufacturing jobs than either Europe or Japan. So much for deindustrialization. Venture capital is back on the upswing, presaging another boom on top of a boom of American inventiveness and entrepreneurial growth. In other words, what Europe has called the American miracle just gets more miraculous as our expansion continues.

There's a major danger on the horizon, one specter looming over all those millions of new jobs, threatening to wipe them out as fast as we created them. I'm talking about the destructionist threat. Some call it protectionism, but we saw in the 1930's with the Smoot-Hawley bill what that kind of thinking produces: industrial collapse, ballooning unemployment, and economic misery. At the same time we're working aggressively to close—open, I should say, closed markets abroad, and we've been more aggressive than any administration in history insisting on free and fair trade practices with our foreign trading partners. Right now in our competitive legislation we're proposing calls for renewed authority to negotiate with our trading partners reduced trade barriers and tougher sanctions against unfair trade practices, antitrust reform, strengthening the export trading company program, amending the Foreign

Corrupt Practices Act, product liability reform, intellectual property protection, strengthening U.S. trade laws to reduce trade barriers to create fair opportunities abroad, and export control reform.

But we'll continue to oppose any legislation that threatens to plunge us back into the despair of the 1930's. I'm not going to let political grandstanding destroy millions of American jobs. I renew my promise today: Any protectionist legislation that comes across my desk is going to get a big, fat V-E-T-O written right across it. When our tax reform package is fully in place and all Americans have received the tax rate cuts they've been promised, then America will have the newest, sleekest, most competitive tax system in the world. Together with dynamos like you leading American industry to conquer markets abroad, I have no doubt that the American miracle has just begun.

It's time to hand out those "E" awards.

Note: The President spoke at 11:30 a.m. in the Rose Garden at the White House. In his opening remarks, the President referred to Secretary of Commerce Malcolm Baldrige, U.S. Trade Representative Clayton Yeutter, and Secretary of Agriculture Richard Lyng. The "E" and "E Star" awards for excellence in exporting were first presented in 1982. Recipients of the "E" Award included American Hardware Manufacturers, Schaumburg, IL; Applied Communications, Omaha, NE; Atlanta Saw Co., Atlanta, GA; Bruce Foods, New Iberia, LA; FR Manufacturing Co., Stockton, CA; Galtek Corp., Chaska, MN; ITC Enterprises Ltd., Baltimore, MD; and Port of Olympia, Olympia, WA. Recipients of the "E Star" Award included Black Box Corp., Pittsburgh, PA; Graham Magnetics, Inc., North Richland Hills, TX; and Lamb Electric Division, AMETEK, Kent, OH.

Statement on the Attack Against the U.S.S. *Stark* May 18, 1987

I have an announcement here that I would like to make that is aimed directly at you of the press. I know and I share the sense of concern and anger that Americans feel over the yesterday's tragedy in the Persian Gulf. We have protested this attack in the strongest terms and are investigating the circumstances of the incident. When our investigation of the facts is completed, I will report to the American people about this matter and any further steps that are warranted. For that reason I have convened a meeting of the National Security Planning Group to review the entire situation in the Persian Gulf.

In the meanwhile, I want to express my deepest sympathies to the families of the brave men killed and injured yesterday aboard the U.S.S. *Stark*. Their loss and suffering will not be in vain. The mission of the men of the U.S.S. *Stark*, safeguarding the interests of the United States and the free world in the Gulf, remains crucial to

our national security and to the security of our friends throughout the world. The hazards to our men and women in uniform in the defense of freedom can never be understated. The officers and crew of the U.S.S. *Stark* deserve our highest admiration and appreciation. And I would also like to express my sincere gratitude to Saudi Arabia and Bahrain for their prompt assistance in responding to the stricken U.S.S. *Stark*.

This tragic incident underscores the need to bring the Iran-Iraq war to the promptest possible end. We and the rest of the international community must redouble our diplomatic efforts to hasten the settlement that will preserve the sovereignty and territorial integrity of both Iran and Iraq. At the same time, we remain deeply committed to supporting the self-defense of our friends in the gulf and to ensuring the free flow of oil through the Strait of Hormuz.

Note: The President spoke to reporters at

11:38 a.m. in the Rose Garden at the White House. The ship was mistakenly attacked by an Iraqi Air Force plane. Thirty-seven U.S. sailors were killed.

**Message to the Congress Transmitting the Annual Report of the
Federal Council on Aging
May 18, 1987**

To the Congress of the United States:

In accordance with Section 204(f) of the Older Americans Act of 1965, as amended, I hereby transmit the Annual Report for 1986 of the Federal Council on Aging. The report reflects the Council's views in its role of examining programs serving older Americans.

It should be noted that the Council's recommendations do not reflect the Adminis-

tration's views on reauthorization of the Older Americans Act. I urge the Congress to act favorably on the reauthorization proposal transmitted to the Congress by the Department of Health and Human Services.

RONALD REAGAN

The White House,
May 18, 1987.

**Statement by Assistant to the President for Press Relations
Fitzwater on the Attack Against the U.S.S. *Stark*
May 18, 1987**

President Reagan met with the National Security Planning Group in the Situation Room from 2:30 until 3:45 this afternoon to discuss the status of the attack on the U.S.S. *Stark* in the Persian Gulf. The President has ordered a higher state of alert for U.S. vessels in the area.

The belligerents in the war, Iran and Iraq, will be formally notified today of this change in status. Under this status, aircraft of either country flying in a pattern which indicates hostile intent will be fired upon, unless they provide adequate notification of their intentions. The administration will consult with Congress on these changes and

related issues.

We have issued a vigorous protest to the Government of Iraq. We have noted the profound regrets issued by the Iraqi Ambassador in the name of his Foreign Minister and Iraqi President Saddam Husayn. However, we are awaiting official notification of this statement. We expect an apology and compensation for the men who died in this tragic incident. We also seek compensation for the ship. The President shares the sense of concern and anger that Americans feel at this time. We will monitor the situation on a continuing basis.

Proclamation 5657—Extending United States Copyright Protections to the Works of Singapore

May 18, 1987

*By the President of the United States
of America*

A Proclamation

Section 104(b)(4) of Title 17 of the United States Code provides that when the President finds that a particular foreign nation extends, to works by authors who are nationals or domiciliaries of the United States of America or to works first published in the United States, copyright protection on substantially the same basis as that on which the foreign nation extends protection to works of its own nationals and domiciliaries and works first published in that nation, the President may by proclamation extend protection under that title to works of which one or more of the authors is, on the date of first publication, a national, domiciliary, or sovereign authority of that nation, or which are first published in that nation.

Satisfactory assurances have been received that as of April 10, 1987, the Republic of Singapore has granted to works of United States nationals and domiciliaries and works first published in the United States protection in Singapore on the same basis as works of Singaporean nationals and domiciliaries and works first published in Singapore, and that such protection also has been extended to works of United States nationals and domiciliaries and works first

published in the United States, which were in the Singapore public domain on April 9, 1987, if such works still enjoy copyright protection in the United States.

Now, Therefore, I, Ronald Reagan, President of the United States of America, by the authority vested in me by Section 104 of Title 17 of the United States Code, do declare and proclaim that the conditions specified in Section 104(b)(4) of Title 17 of the United States Code have been satisfied in the Republic of Singapore with respect to works of which one or more of the authors is, on the date of first publication, a national or domiciliary of the United States of America, or which are first published in the United States, and as of this day works of Singaporean nationals and domiciliaries and works first published in Singapore are entitled to protection under Title 17 of the United States Code.

In Witness Whereof, I have hereunto set my hand this 18th day of May, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:44 a.m., May 19, 1987]

Nomination of H. Lawrence Garrett III To Be Under Secretary of the Navy

May 18, 1987

The President today announced his intention to nominate H. Lawrence Garrett III to be Under Secretary of the Navy. He would succeed James F. Goodrich.

Mr. Garrett is currently the General Counsel at the Department of Defense. Prior to this, he served as Associate Counsel to the President, The White House (1983–

1986); Regional Director, Merit Systems Protection Board (1982–1983); and executive assistant to the president and chief operating officer, U.S. Synthetic Fuels Corp. (1981–1982).

Mr. Garrett graduated from the University of West Florida (B.S., 1969) and the University of San Diego School of Law (J.D.,

1972). He served in the United States Navy from 1961 to 1981. Mr. Garrett was born June 24, 1939, in Washington, DC. He is

married, has two children, and resides in Oakton, VA.

Appointment of M. Lester O'Shea as a Member of the Board of Foreign Scholarships

May 18, 1987

The President announced today his intention to appoint M. Lester O'Shea to be a member of the Board of Foreign Scholarships for the remainder of the term expiring September 22, 1987. He would succeed John Wilson, and for a term expiring September 22, 1990. This is a reappointment.

Since 1966 Mr. O'Shea has been a managing partner of the General Western Co. in San Francisco, CA. Prior to this he worked

in the corporate finance department of Dean Witter & Co. in New York (1963–1966).

Mr. O'Shea graduated from Stanford University (B.A., 1959) and Harvard University (M.B.A., 1963). He was born December 6, 1938, in San Francisco. Mr. O'Shea is married, has one child, and resides in San Francisco, CA.

Appointment of Three Members of the Committee for Purchase From the Blind and Other Severely Handicapped

May 18, 1987

The President today announced his intention to appoint the following individuals to be members of the Committee for Purchase from the Blind and Other Severely Handicapped:

Col. Chester A. Kowalczyk, U.S. Army, to be the Department of the Army member. He would succeed Edward Honor. Since 1984 Col. Kowalczyk has been the assistant director for Energy and Troop Support, Office of the Deputy Chief of Staff for Logistics, at the Department of the Army. He is a career Army officer, and has been in the U.S. Army since 1954. Col. Kowalczyk graduated from Western Michigan College (B.S., 1954) and the University of Arkansas (M.S., 1973). He was born July 14, 1932, in Kalamazoo, MI. Col. Kowalczyk is married, has five children, and resides in Annandale, VA.

Rear Adm. Daniel W. McKinnon, Jr., U.S. Navy, to be the Department of Defense member. He would succeed Joseph H. Connolly. Adm. McKinnon is currently a Deputy Director, Ac-

quisition Management at the Defense Logistics Agency in Alexandria, VA. Prior to this he served as the Vice Commander of the Navy Supply Systems Command (1984–1986). Adm. McKinnon graduated from the University of Missouri (B.S., 1956) and the University of Michigan (M.B.A., 1966). He was born April 26, 1934, in St. Joseph, MO. Adm. McKinnon is married, has one child, and resides in Annandale, VA.

H. Robert Saldivar, of Virginia, to be the Veterans Administration member. He would succeed Clyde Cook. Mr. Saldivar is currently the Director of the Office of Procurement Supply at the Veterans Administration. Prior to this he was the director of Small and Disadvantaged Business Utilization in the Office of the Secretary of the Navy (1984–1986). Mr. Saldivar graduated from the University of Texas at El Paso (B.A., 1963). He served in the U.S. Army from 1952 to 1955 and 1956 to 1958. Mr. Saldivar was born November 3, 1935, in El Paso, TX. He is married, has six children, and resides in Springfield, VA.

Nomination of Francis J. Ivancie To Be a Commissioner of the Federal Maritime Commission

May 18, 1987

The President today announced his intention to nominate Francis J. Ivancie to be a Federal Maritime Commissioner for the term expiring June 30, 1992. This is a reappointment.

Mr. Ivancie has been a Commissioner of the Federal Maritime Commission since 1985. Prior to this, he was president of Ivancie and Associates in Portland, OR

(1984–85); mayor of Portland (1980–1984); and Portland city commissioner (1966–1980).

Mr. Ivancie graduated from the University of Minnesota (B.A., 1948) and the University of Oregon (M.A., 1956). He served in the U.S. Air Force (1942–1943). Mr. Ivancie was born July 19, 1924, in Marble, MN. He currently resides in Washington, DC.

Appointment of Kathie Regan Russo as a Member of the Intergovernmental Advisory Council on Education

May 18, 1987

The President today announced his intention to appoint Kathie Regan Russo to be a member of the Intergovernmental Advisory Council on Education for the remainder of the term expiring July 27, 1987. She would succeed Alan L. Cropsey, and for a term expiring July 27, 1991. This is a reappointment.

Mrs. Russo is the wife of the Ambassador

to Barbados. Prior to this, she served as an Associate Director in the Office of Presidential Personnel at the White House (1984–1986); as Special Assistant to the Secretary of Labor (1981–1984); and served on the Reagan campaign staff (1979–1981).

Mrs. Russo was born November 12, 1954, in the Bronx, NY. She is married and resides in Bridgetown, Barbados.

Proclamation 5658—National Tourism Week, 1987

May 18, 1987

By the President of the United States of America

A Proclamation

Today, as always, travelers from our country and overseas cross the United States to meet the American people, to see our cities, plains, and natural wonders, and to visit the historic sites of our Nation. We do well each year to pay tribute to tourism for all it means to our way of life and to understanding and friendship among people of many lands.

Travelers in the United States truly have a panorama of opportunities before them.

This year, as we celebrate the Bicentennial of the Constitution, let us remember that the record of the winning and keeping of our precious liberties is written all across the face of our beautiful land. In countless American places—courtyards and country lanes, fields and forts, monuments and memorials, battlefields and bridges, cemeteries and sanctuaries, hills and homes and halls—we can ever read the struggles and sacrifices of a people and a glorious cause. That is nowhere more true than in Philadelphia, the home of so much of the history of liberty and our headquarters for the Bicenten-

nial of the Constitution.

Let us always be sure to offer heartfelt welcome to the tourists we meet as they discover for themselves how America became the land of the free and the home of the brave.

In recognition of the educational, economic, and recreational benefits of tourism, the Congress, by Public Law 99-394, has designated the week beginning May 17, 1987, as "National Tourism Week" and authorized and requested the President to issue a proclamation in observance of this event.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do

hereby proclaim the week beginning May 17, 1987, as National Tourism Week. I call upon the people of the United States to observe this week with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this eighteenth day of May, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:45 a.m., May 19, 1987]

Written Responses to Questions Submitted by the Kuwaiti Newspaper Al-Qabas May 12, 1987

Persian Gulf Conflict

Q. Mr. President, you are determined to protect the flow of oil through the Strait of Hormuz. Yet some say your administration is not doing anything about bringing to an end the major cause of the threat, namely the Gulf war. There is a conviction in the area that your administration is taking advantage of that war in order to secure military facilities. Do you think that this reflects the reality of the American attitude?

The President. For more than 6 years, the war between Iran and Iraq has gone on, resulting in tremendous suffering and cost to Iran and Iraq as well as bringing instability to the Gulf region. As I have said many times, the United States is deeply concerned over the war's continuation. We are strongly interested in seeing it brought to a speedy conclusion through negotiations which will preserve the sovereignty and territorial integrity of both Iran and Iraq. Through our campaign to slow down and shut off the military supply pipelines to Iran, through our support of mediation efforts by the appropriate international organizations, we are working with many other governments in seeking to create a situation where the parties will sit down and negotiate.

At the same time, we also have a well-known policy regarding the Gulf. We are firmly committed to assisting our friends there with their collective and individual self-defense efforts. We are also strongly committed to ensuring the free flow of oil through the Strait of Hormuz and hold as a very important tenet the principle of freedom of navigation in international waters. In brief, we want to see this long, costly, destabilizing, and tragic war brought to a negotiated end in the quickest time possible.

Q. You acknowledged your mistake in the secret dealings with Iran, and you said that the Arab countries understand the implications behind this. The consequences of the deal are still reverberating within your administration and on the battleground of this war; therefore, may we frankly know from your exact policy towards both Iran and Iraq?

The President. The United States is neutral in the Iran-Iraq war. We do not now ship weapons to Iran or Iraq, nor do we intend to do so. This policy is firm. Through Operation Staunch we try to persuade third countries not to supply Iran with arms, mu-

nitions, and dual-use items it needs to continue fighting. Operation Staunch is not directed towards Iraq; that country for some time has agreed to negotiate a settlement to the war. Iran remains the intransigent party and is occupying Iraqi territory and trying to take more.

The United States has taken an active role in searching for a peaceful solution to this tragic war. We want neither victor nor vanquished and continue to work for a settlement that will preserve the sovereignty and territorial integrity of both Iran and Iraq. I have urged the international community, in the appropriate fora and through the appropriate mechanisms, to work for an immediate cease-fire, negotiations, and withdrawal to borders.

In line with this general policy, we have been actively consulting with other interested governments regarding efforts to bring the war to a negotiated end. I have asked Assistant Secretary [of State for Near Eastern and South Asian Affairs] Murphy to visit the Gulf to consult on this and other important issues of mutual interest. We believe the U.N. Security Council has an important role to play in the effort to end the Gulf war and would strongly support effective action by the United Nations to end this conflict. We have been consulting closely with the Arab League in efforts to gain support from other members of the Security Council. We welcome the effort by the Arab League in this regard.

Arab-Israeli Conflict

Q. A lot of talk is being heard about adopting the idea of holding an international conference attended by all of the parties concerned to solve the Arab-Israeli conflict. Nevertheless, the American attitude is not clear. Would the U.S. agree to participate in such a conference if it is going to lead to the formation of two independent states, Israel and Palestine, and what would Arafat's role be?

The President. We remain committed to a negotiated peace between Israel and all of its Arab neighbors. To this end, we have stated our willingness to explore all possibilities, including an international conference, that might lead to direct negotiations and a peaceful settlement. Such a confer-

ence must lead promptly to direct negotiations and must not interfere with those negotiations. In recent weeks, this process of exploration has produced what we believe to be significant progress toward negotiations which would offer serious prospects of reaching agreements between the parties on peace. Much remains to be done before one can safely express optimism on further developments, but we are encouraged and will continue our efforts.

As I stated in my September 1, 1982, peace proposal, we firmly believe that self-government by the Palestinians of the West Bank and Gaza in association with Jordan offers the best chance for a durable, just, and lasting peace. We have always recognized that Palestinians should participate at every stage of the peace process. The form that Palestinian representation takes is a question that must be resolved by the parties to the conflict. The actions of the recent Palestine National Congress in Algiers indicate a negative, unrealistic attitude toward the peace process.

Egypt

Q. The U.S.S.R. gave Egypt the means for settling her debts and granted her easy loans, although the relations between the two countries are relatively poor. But even though you consider Egypt as a friendly state, you refuse to reschedule her military debts and you impose stringent conditions on financial aid. Is this in your opinion friendship, or are you aiming at some other objectives with this ambivalent attitude?

The President. There is nothing ambivalent about our friendship for Egypt or our commitment to help meet Egypt's security requirements and development needs. We have a record unmatched by any other country. Since 1974 the United States has provided Egypt over \$22 billion in economic and military assistance. Despite sharp reductions in our global foreign assistance budget, we have maintained funding for our Egypt program at \$2.3 billion this year. We work closely with the Egyptian Government to ensure that our economic aid contributes effectively to Egypt's development goals. Our assistance has brought improvements in health, education, housing, and

other basic needs, while also providing crucial balance of payments support to counter the effects of declining oil revenues and other external events.

I have been concerned about the burden placed on key friends like Egypt by military loans extended in past years with interest rates higher than current levels. We have taken a number of important steps during my administration to provide relief:

—Since 1985 Egypt has been one of only two countries to receive large amounts of U.S. military assistance on all-grant terms.

—In December 1986 I authorized a restructuring of our military loan program, which would offer Egypt immediate relief on its military debt by allowing deferral of a substantial part of interest payments falling due in coming years. The terms of this restructuring are limited by legislation and guidelines which apply to all foreign military loans and all other borrowings from the Federal Financing Bank.

—We have expressed our intention to support a generous multilateral rescheduling of Egypt's military and other official debt in the context of the program the Egyptian Government is negotiating with the International Monetary Fund.

Our assistance to Egypt is just one aspect of the special relationship that exists between our two countries. I am committed to working with President Mubarak to see our relationship expand and flourish.

Lebanon

Q. Your bitter experience in Lebanon pushed America to refrain from interfering in Lebanese affairs. Have you now entered into a new deal, a part of which contains a solution to the Lebanese problem, or will you leave local parties to solve it, and what could such a proposal be after 13 years of civil war?

The President. United States policy in Lebanon has for many years been based on support for Lebanon's unity, sovereignty and independence, and the withdrawal of all foreign forces. The United States continues to support an end to fighting in Lebanon, the restoration of a political dialog that could lead to national reconciliation and political reform, the strengthening of Lebanon's legally constituted central govern-

ment, dissolution of illegal militias, and the extension of its effective authority throughout the country.

The lessons of Lebanon's 11 years of strife are clear, however; no outside power, however well-intentioned, can be a substitute for efforts by the Lebanese themselves, nor can Lebanon's political problems be solved by force. We and others are ready to help, but without initiative and effort by the Lebanese themselves, the assistance of foreign powers will be fruitless.

Palestinian Affairs

Q. Every people in the world has its own state—the British have Britain and Americans have America. Where is the state of the Palestinian people?

The President. We believe that any negotiations designed to lead to a Middle East peace must address the legitimate rights of the Palestinian people, together with the security of all states in the region. We have always recognized that Palestinians should participate at every stage of the peace process. Any agreement on the final status of the West Bank and Gaza should receive the prior consent of the inhabitants of those territories.

We will not support the establishment of an independent Palestinian state in the West Bank and Gaza, nor will we support annexation or permanent control by Israel. As I stated in my September 1, 1982, peace proposal, it is the firm view of the United States that self-government by the Palestinians of the West Bank and Gaza in association with Jordan offers the best chance for a durable, just, and lasting peace.

Soviet-U.S. Relations

Q. Gorbachev rejected your invitation to visit Washington, DC, on the grounds that he does not want to waste his time. Does your administration feel that, as a result of the Iran-*contra* affair, it has lost the international stature it needs to carry on strategic debates with Moscow?

The President. The U.S.-Soviet relationship is fundamentally competitive and will likely remain that way. At the same time, the U.S. seeks to ensure that this competition remains peaceful and as stable and pre-

dictable as possible. We have established a framework, based on realism and political and military strength, that provides the basis for a productive U.S.-Soviet dialog in all areas of concern to us: arms control, bilateral exchanges, human rights, and regional issues. Through this dialog, including two meetings between myself and General Secretary Gorbachev, the U.S. has made progress in a number of areas, including arms control. But in other areas, such as regional conflicts, we remain very far apart. My invitation to General Secretary Gorbachev remains open. We're ready for hard and fruitful work ahead; I hope the Soviets are, as well.

Kuwait-U.S. Relations

Q. The state of Kuwait is a firm believer in neutrality and maintains a policy of balance between East and West in her international relations. Her position on the battlefield between Iran and Iraq has exposed her to further difficulties and dangers. What is your evaluation of Kuwait's role in that conflict within the overall relationship between our two countries?

The President. We have had long and harmonious relations with Kuwait and all the Gulf States. With Kuwait, our relationship goes back to the early days of its independence some 26 years ago. We admire Kuwait's many achievements.

Because of our strong ties with Kuwait and the other Gulf Cooperation Council (GCC) States, and the common interests we share in stability in the region, we have been in close discussions for some time with all the GCC States on the war and the dangers it poses. I have made clear on numerous occasions that the United States would regard an expansion of the war as a major threat to its interests as well as to that of its friends in the region. We understand the difficult situation in which Kuwait has been placed by the pressures stemming from the Iran-Iraq conflict. We admire the courage and diplomatic skill with which Kuwait has met these pressures.

International Oil Prices

Q. Mr. President, capitalism and free enterprise are well-established principles in the West. You are an advocate of noninter-

vention by states in the functions of the private sector. Aren't Western governments denying these principles in their efforts to keep the price of oil low?

The President. The United States and other Western governments represented in the International Energy Agency continue to emphasize the importance of market forces and sound energy policy in achieving supply-demand balance. We do not work toward maintaining oil prices at any level, whether high or low. We have no preconceived notion of where world or individual countries' production or pricing levels should be. We continue to believe these should be determined by the free market, operating without government interference or any other form of market manipulation.

Foreign Investments in the United States

Q. Recent events have proven that foreign investments in the U.S.A. are not immune from political considerations, although the free market economy of the U.S. is supposed to be free of state intervention—investments by Iran, Argentina, and Libya are examples. Mr. President, do we, as Arabs with some of our surpluses invested in the U.S.A., have to think twice about whether our investments are safe and not subject to being frozen?

The President. The United States remains the most open and flexible capital market in the world, and the United States Government remains committed to the preservation of this openness. Responsible foreign governments, and investors from their countries, need not fear that their assets will be affected by U.S. political goals. Statistics clearly show that we continue to hold the confidence of foreign investors. Total foreign investment in the United States—including direct investment, portfolio investment, and foreign government holdings—more than doubled from just over \$500 billion in 1980 to \$1.3 trillion by the end of 1986.

With respect to the three countries you mention, let me clarify a few points:

—The United States did not freeze Argentine assets; we merely suspended programs of the Export-Import Bank with regard to that country for a limited period.

—The Iranian case was extraordinary in that it involved a government which had committed flagrant violations of well-established principles of international law. Iran was holding U.S. diplomats hostage.

—Libya directly supports international criminals who perpetuate senseless acts of terror, not only against Western and African countries but also against countries in the Gulf and other Moslem States. As a direct response to Libyan terrorist attacks against the United States, Libyan Government assets in the U.S. were frozen. Inter-

est on those assets continues to accrue to the accounts of the Libyan Government. Investments by private Libyan citizens have not been affected.

No responsible nation should feel threatened by sanctions taken in such circumstances; in fact, we believe they should support them.

Note: The questions and answers were released by the Office of the Press Secretary on May 19.

Remarks on Arrival in Chattanooga, Tennessee May 19, 1987

It's a great pleasure to be here in Chattanooga. I'm glad that Tom Griscom let me come along. [*Laughter*] And thanks for the band music—the McCallie School Band, the Chattanooga Christian School's Combination Band, the Hickson High Band, and the Red Bank High Band. And I understand there are members of the Cherokee Area Council of the Boy Scouts here today. [*Applause*]

I'm here to celebrate the graduation of the public high schools in the Hamilton County and Chattanooga city school systems. And I know there are fine private and parochial high schools here as well. I don't think any other city in America can claim to have two graduates of an area school in the United States Cabinet.

They're great Tennesseans, and they're great Americans. And every now and then when they get together, I think I hear them saying, "Go Blue Tornadoes." But you should be proud of them—Bill Brock and Howard Baker.

Over the past decade, the schools of the Chattanooga area and all of Tennessee have made great strides in improving the quality of education. And many have received national recognition for quality. And I'm here

to recognize that quality. When it comes to quality in a school, the important thing is not what goes in, but what comes out, not how much money is spent or how new the buildings are, but how well students read, write and do math and what they know about our sacred national heritage. Today I'll see a lot of graduates who are coming out. And I'm going to have lunch and talk with a few of them. But I know that quality is something schools throughout the area—not just those graduating this week—care about.

So, thank you all for coming out to greet us. I know that I have to get into this car now and get on with the busy schedule that's been lined up. But this is a great honor that you've done me, and I'm very grateful. And I see that sign about my roommate Nancy. Yes, I'll tell her that you bid her welcome also. But thank you all again. God bless you all.

Note: The President spoke at 11:48 p.m. at Lovell Field. Following his remarks, he went to the University of Tennessee at Chattanooga's student center, where he had lunch with area high school seniors and faculty members.

Question-and-Answer Session With Area Reporters in Chattanooga, Tennessee

May 19, 1987

The President. Before you start with your questions, I have just a little statement here that I would like to make and maybe will help—something about yesterday's incident in the Persian Gulf. It's a tragedy that must never be repeated. Our ships are deployed in the Gulf to protect U.S. interests and to maintain freedom of access and navigation to the area's oil supplies. And following my review of the incident yesterday with the national security group, the area commander has ordered that a naval board of inquiry be convened to fully investigate the circumstances surrounding the attack on the U.S.S. *Stark*, and to report to me promptly their recommendations for any additional actions that may be warranted.

That's that. And now, I think we start with the questions, to the right.

Attack on the U.S.S. Stark

Mr. Powell. Referring to that incident yesterday, and you say you're going to wait for them to decide what to do, but there's nothing further we'll do right now?

The President. Well, there's nothing further that we can do other than the orders that I have given that have already been announced: that hereafter, our ships there will, if any vessel of any kind appears to be putting itself in position for hostile action, that we will act accordingly.

Mr. Copper. Sir, do you have any other indications—Saddam Husayn yesterday said that this was just an inadvertent incident and the Government thus far appears to have accepted that conclusion. Do you have any evidence as to exactly what prompted this attack, any further than has already been announced?

The President. No, and I've had a very fulsome apology from the President of Iraq. The whole thing—the course of the plane coming down that coast was the course that's taken by Iraqi planes all the time, and we've never considered them hostile at all. They've never been in any way hostile. And this was at night, of course, so never had

any visual sight of the target. They fired by radar, that missile. And this is why we're waiting for further investigation and to find out what the attitude was on the vessel. We can understand—first of all, an AWACS plane of ours over Saudi Arabia had reported it as an Iraqi plane. And we didn't have any reason to ever suspect hostility from them, and we won't know until investigation is concluded whether this was an error of identification on the part of the pilot—that, I'm sure, we'll hopefully find out from the Iraqis.

You?

Textile Industry

Ms. Clemons. I'm Carolyn Clemons, with the Herald News in Rhea County. I want to localize our discussion just a little bit, Mr. President. Rhea County paychecks come from the textile industry and farming and TVA, which gives you some idea of the situation we're in. Right now, the textile industry in Rhea County is in very, very bad shape like it is everywhere. Can you give us any hope that it's going to improve, say, anytime soon?

The President. Well, I know that we've made an arrangement that has reduced textile exports and put other countries on a quota system. We can't go into total—you know, the kind of protectionism that some people have been advocating in which it might help somebody here, but it would lose other jobs here in our country if we get into that kind of a trade war. I would have to know more about the local situation here, because I do know that some of the unemployment situation in the textile industry, at least further east, has been occasioned not by competition but simply by modernizing and the new technologies that have reduced the number of employees needed to do the same kind of work. And the market generally—as I understand it, nationally—the textile market is doing better than it's been doing in quite some time.

Ms. Clemons. Of course, we're still having, twice a year, layoffs, you know. Inventory is backed up. They can't get rid of it. And it's hard—

The President. I'll tell you what I'll do. When I get back to our people on this, I'll mention this. It's here in Chattanooga?

Ms. Clemons. No, it's in Rhea County. It's north of here.

The President. Oh, in Rhea County. I'll see if I can find out any information about the situation here.

Ms. Clemons. Thank you.

Attack on the U.S.S. Stark

Mr. Norton. Mr. President, if I missed this, I apologize. With the cameras flashing and things, I sort of had trouble hearing what you were saying. Did you, sir, offer a comment on why the *Stark* was unable to defend itself the other day?

The President. Well, as I said, the only thing that we know is that we're aware it was an Iraqi plane and they're not a hostile. And this is the normal trail or path that they use up and down that coast. So, they were just accepting it there and it had been identified as an Iraqi plane by our own AWACS. And then when it made its turn and fastened by radar onto our ship as a target—once that button is pushed on the missile, you've only got a few seconds over a minute for anything, and the ship was not—in other words, general quarters hadn't been sounded, as it might be if a hostile plane were coming into the area. So, what we're waiting to find out now in the hearing that has been ordered is what exactly was the situation on the ship and the attitude and why they hadn't prepared. And yet, I have to say in advance here that what would we have done if we were in the same position on there, believing that it was a totally friendly plane?

Mr. Norton. Have you placed a timetable on that report as yet?

The President. Well, no, the investigation has just been ordered by the area commander there. So, I imagine that will get underway immediately. But the plane [ship] is in port, and I think that I heard that it was supposed to be in port about 2 o'clock our time.

Mr. Norton. Thank you sir.

Nuclear Storage Facility Site

Ms. Baxter. Sir, I'm Jenny Baxter, from the News Herald in Loudon County. We're located close to Oak Ridge, where there's been talk of the MRS [Monitored Retrievable Storage] facility—

The President. Could you speak up?

Ms. Baxter. Okay. We're located close to Oak Ridge, where the MRS facility is being talked about putting in. What I was wondering is why is DOE pushing Oak Ridge as the site so hard when there's so much local opposition to it?

The President. The—

Ms. Baxter. The MRS—

The President. Are we talking about the nuclear—oh.

Ms. Baxter. The nuclear storage facility.

The President. The only thing that's being considered—there is the possibility of being a staging area until it can go to the permanent place and where, right now, the targets being looked for that—the permanent disposal—are the States of Washington, Nevada, and Texas. And so this, if it is done, would only be, as I say, a temporary point. But no decision has been made because no decision has been made yet on the ultimate disposal site.

The Persian Gulf

Mr. Headrick. Doug Headrick, from Athens, sir. The Iranian Prime Minister said that the attack on the *Stark* demonstrated that the Gulf is "not a safe place for superpowers." Is that anywhere near the truth? Is the Gulf becoming more unsafe? And are we going to beef up basically our security now and be much more alert after this?

The President. Oh, yes. I have already issued the orders on that. But quite some time ago, a few years ago, there was a threat from Iran of closing the Persian Gulf, and I publicly stated then that there was no way that the United States could allow the Persian Gulf to be closed. First of all, it's important to us from our continued need to import oil. And to our Western allies, the same thing is true, and they feel the same way about it that we do. And we're going to do what has to be done to keep the Persian Gulf open. It's international waters. No country there has a right to try and close it

off and take it for itself. And the villain in the piece really is Iran. And, so, they're delighted with what has just happened.

Mr. Headrick. The Soviets have said that basically our presence there in the Gulf aggravates a very dangerous situation. Yet they're there, too. Do you see us in an aggravating role in that sense?

The President. No, I don't think we can be seen as that. And remember that all the other nations around there—there are only two that are at war. And we have been doing everything we can and working with the other nations to try and bring about a peace in that war. And so far, we have had approval of that from Iraq and it has been Iran that refuses to go—to find a way of ending the war.

Mr. Griscom. Mr. President, it's time—

The President. We only got one round? Here I was just getting ready to start around again.

Iran-Contra Hearings

Mr. Powell. Can I ask you one quick one? I know I shouldn't, but the Iran-*contra* hearings started again today. If there is any evidence down the road that you did do something illegal, is there any consideration whatsoever of resigning if it turns out that something was done illegally on your part?

The President. Well, I have to tell you, I know absolutely that I did nothing illegal. As a matter of fact, I have, over and over again, told the Washington press corps and told the leaders of Congress that the only thing about which I have no answer is the apparent funds in the Swiss bank accounts supposedly that came from our shipment of arms to Iran. Now, we got our money for that shipment and the only thing that we can figure is that somebody—in the go-betweens there between us and Iran—must have put an additional price on it and got more money from Iran than we were asking. And who did that, where the money came from or where it has gone, we abso-

lutely have no knowledge of that, and I'm still waiting to find out who did it and what was done.

As far as just helping the *contras*, no, there's never been any restriction on my ability to speak publicly, as I have, in urging support for the *contras*. We did not violate any rules when the Congress, after appropriating money for help and then called that off after it had been used and refused to issue a new appropriation—we haven't violated that in any way. And I never solicited a foreign country, although under the Boland amendment—one of the versions of it, there are about five—actually authorized the Secretary of State, who is certainly my appointee, to solicit other countries, democratic countries, to do as we were doing and try to aid the freedom fighters down there.

So I—as I say, I never solicited anyone directly. And the one thing that has been mentioned—I, myself, have told it—and that is when King Fahd of Saudi Arabia was present in a meeting here—that was never discussed in the meeting. And he simply made mention as he was leaving that he was going to increase the contribution that he had been making to the freedom fighters.

Mr. Griscom. Thank you all very much.

Reporters. Thank you, Mr. President.

Note: The question-and-answer session began at 1:20 p.m. in the Heritage Room at the University of Tennessee at Chattanooga. Participants included Jeff Powell, News-Free Press, Chattanooga, TN; Dick Copper, Chattanooga Times; Carolyn Clemons, Herald-News, Dayton, TN; Rick Norton, Cleveland Daily Banner; Jenny Baxter, News-Herald, Loudon County, TN; Doug Headrick, Daily Post Athenian, and Thomas C. Griscom, Assistant to the President for Communications and Planning. The President then met with area teachers who had received Laura Handly Brock Memorial Grants for excellence in teaching.

Remarks at the Commencement Ceremony for Area High School Seniors in Chattanooga, Tennessee

May 19, 1987

Lieutenant Governor Wilder, Mayor Roberts, Senator Baker and Secretary Brock and Secretary Bennett, Superintendent Loftis, and the parents, teachers, and especially you graduates, this will be brief, because I'm certainly not going to take a chance on being voted, in your yearbooks, "The President Most Likely to Talk Until June." [Laughter] But it's a pleasure to be here among you students. And of course, I love to be among teachers at this time of year. Have you noticed there's nobody happier than a teacher in May. [Laughter]

And it's good to get out of Washington, where we spend a lot of time worrying about a lot of things that are only important there. Here you have perspective and realize what the important issues are: who's got a prom date and who hasn't. [Laughter] It's also wonderful to be in this great State again. Actually, I'm somewhat familiar with your customs here, especially your unique forms of dancing. I've noticed in the Oval Office when Howard Baker doesn't agree with something I've said, but doesn't exactly want to say, "No, you're wrong, Mr. President," I've seen him do a simply wonderful version of the Tennessee Waltz. [Laughter]

Just before I came out here, I met with a group of your teachers. All of them had received Laura Handly Brock Memorial Grants for excellence in teaching. I've brought along with me someone who had something to do with that. Bill Brock, we all knew Muffet. We all salute your caring and your generosity. Most of all, we salute the memory of a great and gracious lady.

When I met those who received Brock Awards this year, I remembered that in my high school years there were a few teachers who made a great difference to me. I remember they had a certain sparkle in their eyes, an excitement about their subjects and about life itself. And I was happy to see the same sparkle and excitement, the same spirit today in those teachers who've been honored. It's a spirit that outstanding teach-

ers everywhere share, a spirit that hasn't changed over all these years, that I suspect hasn't changed since ancient Greek times when Socrates was teaching. No, I didn't take any classes with Socrates. [Laughter] Just a few teachers can receive the Brock Award, but I know there are many outstanding teachers in Chattanooga and Hamilton County. And for a moment, if you'd bear with me, I'd like all the teachers who are here today to stand up. [Applause]

Your students have worked hard to reach this graduation week. But we all know that you have too, and soon you'll be joined in congratulating them. But right now, all of us give our deepest thanks and congratulations to you teachers. And there are some others we should also remember. Would the parents of the graduates please stand. [Applause] Over the years, you've given the loving gift of long hours of work; of care in sickness, of health, in need; of being there to say keep going when maybe it wasn't so easy for your sons and daughters to keep going; of quietly standing back and smiling when hard work finally paid off. Graduation is your moment as well as theirs. God bless you, and thank you for all you've done to bring this happy achievement about.

Now, I'm told that there are graduating classes here today from 13 high schools. And I was wondering if you're really here: Central High, East Ridge High, Ooltewah High, Red Bank High, Sale Creek High, Soddy Daisy High, Howard High, Hickson High, Brainerd High, Tyner High, Kirkman Technical High, Chattanooga High, and Lookout Valley High. [Applause]

You know, it sounds like there's a special excitement here. [Laughter] But then I've had a suspicion for some time that Chattanooga is some place special. This is the only city in America that has two graduates from the area in the Presidential Cabinet. They're great Tennesseans, great Americans, and you should be proud of them—Bill Brock and Howard Baker.

But graduation is a great moment for all

of you. For 12 years you've studied and worked, and now you're done and about to start on the next phase of your lives. And I'm here today to join with your parents, teachers, and friends to say congratulations. But before I do, I'm bringing congratulations from my roommate. *[Laughter]* She has special words of praise to all of you who, for yourselves, for your families, for your country, just say no to drugs and alcohol. And there are some of you who've been leaders in campaigning for drug-free schools here in Chattanooga. And let me say "good work" to the members of Students Staying Straight. We all thank you for your dedication to this great crusade.

Now, as I said, I'm here to say congratulations! Every one of you graduates can be proud. You've finished one of the most important tasks of your life: that of getting a high school education. And now you have before you great opportunities and, with them, a great adventure, the adventure of helping to take America into the 21st century. As America approaches the 21st century, the adventure may take you around the world and even perhaps to the Moon, the planets, and the stars. This century, the 20th, the world has seen that when free peoples have courage, vision, and determination there is no limit to the good that they can do. In this century Americans invented the family car, the airplane, jet propulsion, spaceships, the transistor radio, television, sound movies, xerox machines, computers. And these inventions have made life better for millions.

Looking at that partial list, it's hard to believe that the year before the century began the head of the Patent Office told the President of the United States that, in his words, "everything that can be invented, has been invented." And he proposed closing the Patent Office. Well, in this century Americans have found ways to make the world's harvests more abundant than ever before. Nations like India that just a few years ago couldn't feed their own peoples are now, thanks in part to our technology, not only feeding themselves but helping to feed others, as well. In this century Americans have conquered diseases and extended life expectancies in most countries of the world. I've already lived 23 years

beyond my own life expectancy when I was born. Now, that's a source of annoyance to a number of people. *[Laughter]*

And today, as we move towards the 21st century, we're exploring technologies that may someday conquer the remaining threats to our health. While jet airliners carry passengers, even those of modest means, from coast to coast and overseas, our engineers are busy developing crafts that one day will take off from a runway and carry us into space, aerospace planes that will deliver us anywhere in the world in just a few hours' time. This is the world of unlimited promise that stretches out before you, and yet those promises won't be realized on their own. America has achieved so much because across our blessed land, for more than two centuries, men and women have understood that America's greatest gift, the gift of freedom, is also a challenge. The challenge is to be all that we can be and, through meeting that challenge, to help build the future of this free nation.

Our preparation for the next century, of course, begins with what you've been part of: making sure that all young Americans get a good education. I'll talk about this in a moment. The key here is for parents to be involved in the local schools and for schools to set high standards. But teachers and parents should hear what your Triple S clubs—and what they've been telling them—that we can't expect excellence in an environment of drugs and permissiveness. All Americans should stand shoulder to shoulder against this evil that undermines the moral fiber of the Nation and attacks too many of the young. It's time to get drugs off our campuses and out of our schoolyards.

Let me pause here and tell you one thing that disturbs me. Though some are aware of their special responsibilities and are taking positive steps, it saddens me that my old industry, the movie industry, hasn't gotten its act together and really begun to combat drug abuse. Too often drug use is still shown in a positive, upbeat way on the screen. When it comes to drug abuse, the movie industry should be part of the solution, not part of the problem. Perhaps it's time to tighten up on the rating system.

And this goes for the movie [music] industry, too. I just can't help but think those who talk about their constitutional right to free speech are really more concerned about their own profits. No one has a constitutional right to sell prodrug propaganda to minors, but parents and communities have a right, indeed, they have a responsibility, to protect their children.

There was a time in the sixties and seventies when some adults seemed to lose sight of the importance in education of moral and academic standards. That was also a time when the SAT scores and other test scores declined. Schools lost sight of teaching basic skills; they turned to fads, including abolishing basic academic requirements. One of the worst fads was something called value-neutral instruction. Too often, we heard school officials say that teaching right and wrong was none of their business. A story about this appeared in the newspaper some time ago. A guidance counselor asked a class what they should do if they found a purse with \$1,000 in it. The class decided that returning it with the money would be neither right nor wrong; it would be just dumb. Well, when they asked the counselor what he thought, he said he wouldn't force his values on them. "If I come from the position of what is right and what is wrong," he told the reporter, "then I'm not their counselor." Well, I'm not sure what he thought he was.

Last year our Secretary of Education, Bill Bennett, participated in a kind of exchange program with his counterpart in Japan. The Japanese didn't have the same kind of decline in test scores during the sixties and seventies that we had, and we wanted to find out why. We looked at Japanese schools, and the Japanese looked at ours, and then we all compared notes. We found that in Japan when a student did poorly in math or science or any other subject parents and teachers said that the student should work harder. In the United States, when a student did poorly, as often as not, everyone made excuses and said, well, it was because of poverty or lack of ability or problems in the family. In Japan the message to students was always: You're responsible for what you make of your life. In the United States, too often, it was that you

aren't.

Well, now, maybe you know someone who listened to those excuses, who said, well, I can't do it, I can't make it through school, I have this or that going against me, and, so, dropped out. Nothing is more important to opening up the opportunities of our country than finishing high school. Nothing could be better for your friends who dropped out than to go back. Nothing could be better for America either. So, if you have a friend who didn't make it or who's a sophomore or junior and is thinking of quitting, could you do something for me? Ask them to give it another try. Tell them they can do it if they stick with it. So many of you have helped friends "just say no" to drugs. Help your friends say "just say yes" to finishing school. And now, for my part, starting now, I'm going to ask Secretary Bennett and others in our administration to carry this message around the country. Let's make a big cut in America's drop-out rate. And let's pay more attention to basics, including simple literacy, so that by the year 2000 every American can speak, read, and write English and fully participate in the opportunities of our great country.

Tennessee and many other States have made a good start on the road to higher quality. Schools are once again teaching basic skills and basic values. They're once again saying that there are simple standards of right and wrong and that we're all responsible for the way we live our lives. And in Tennessee and some other States, they've begun rewarding excellence in teaching, as well, with a career ladder program for teachers. The funny thing is that as schools have done this test scores have started on the rise. You know, I think that would have happened a lot sooner if we'd listened to you, to America's students, more carefully, because every time adults take time to listen to you, the message is the same: Young people expect adults to set standards and to be honest about what is right and what is wrong.

In humanity's long journey from the caves to the mountaintops, there's never been a time or place of such promise as here in your lifetimes. Freedom, the freedom of America, gave birth to this era of

opportunity, but your courage, your vision, your determination, your dedication to the fundamental moral values of our civilization—these will determine if the promise of America in the century ahead is realized, not only for you but for all Americans. Earlier this year I said it was time to begin a great American discussion about our future and how to prepare America for the world of the year 2000 and beyond. This is the world that you will see, help shape, and be part of. If you tell yourself that you're ready, that you'll go for it, then your role in molding that future begins right here, right now, today.

This message, that America's future will be as great as your dreams, is not a new message; it's as old as America itself. You can find it written all around you. This great university—started a century ago this year—it is testimony to the men and women of this State who accepted the opportunities and responsibilities of freedom and, however imperfectly, began to build a great institution of learning. The Chattanooga school system itself—started in 1872 when a group of both Union and Confederate veterans set aside old hatreds and joined hands for the common good—this school system is testimony, too. Every farm, every factory, every store, every home across our land is a monument to men and women who took into their hands the clay of America's opportunity and shaped it to their dreams.

When I was inaugurated the first time, I told a story. It's about a young man, Martin Treptow, who left his job in a small town barber shop in 1917 to go to France with our Army in World War I. There, on the Western Front, he died trying to carry a message between battalions under heavy artillery fire. On his body was found a diary. On the flyleaf, under the heading "My Pledge," he had written these words: "America must win this war. Therefore, I will work, I will save, I will sacrifice, I will endure. I will fight cheerfully and do my utmost as if the issue of the whole struggle depended on me alone."

I want to say something about yesterday's incident in the Persian Gulf. This tragedy must never be repeated. Our ships are deployed in the Gulf in order to protect the

United States interests and maintain freedom of navigation and access to the area's oil supplies. It's a vital mission. But our ships need to protect themselves, and they will. From now on, if aircraft approach any of our ships in a way that appears hostile, there is one order of battle: Defend yourselves, defend American lives! [Applause] America's sailors are putting their lives on the line in the Gulf. They have the right to protect themselves against any threat from any quarter at any time.

And now I would like to say a few words in tribute to our brave sailors aboard the U.S.S. *Stark*. We join with families, friends, and shipmates in mourning those who died. As have so many of our nation's fighting men before them, they gave the supreme sacrifice for our beloved nation. In life, they were our sons and brothers, our buddies and loved ones; in death, they are our heroes. Too often Americans are called upon to give their lives in the cause of world peace and freedom. Yet our glory as a people is that we do devote ourselves to those causes, not to conquest, not to territory, and not to supremacy, but to peace and freedom.

In memory of those who gave their lives I've directed that flags be lowered to half-mast. This land of freedom lives and grows stronger because the spirit of devotion and sacrifice that lived in Martin Treptow has lived in the hearts of free men—including the men of the *Stark*—through the ages. I know that's your spirit, too. You just showed that a moment ago. Let it shine like a great light. Don't hide it under a basket; lift it high so that its brightness will fill the land and is a beacon to the world.

I know that lately there's been kind of a tone of cynicism in our land, and some people have written and have spoken about it as if somehow we've strayed away and are going in wrong directions. Well, I don't believe that's true. You can't stand in this auditorium and look and hear all of you without knowing it isn't true. I've always believed there was a divine plan that put this continent here between the two great oceans for it to be found by people from every corner of the Earth who had an extra love of freedom and that extra ounce of

courage that would enable them to tear themselves away from their homeland, family, and friends, and make their way to this strange land. There is so much for us to be proud of in the country that they have built, the good that is done. Last year we broke all records in our history in the private giving to charitable and educational causes—to worthy causes—\$87 billion privately given in 1 year by the citizens of this country—an all-time record.

I received a letter the other day, and I'm going to share just a few words in it with you. This individual wrote to tell me something—I'd never thought of it this way before. He said you can go to Japan and live, but you can't become a Japanese. You can go to France; you can't become a Frenchman. You can go to live in Turkey or Germany, and you can't become a Turk or

a German or any of those other people. But he said people who live anywhere in the world can come to America and become an American.

That is our heritage, and that, as I say, is our challenge. Now, thank you all. God bless you all, and congratulations again to you young people.

Note: The President spoke at 1:57 p.m. at the University of Tennessee at Chattanooga's arena. In his opening remarks, he referred to Lt. Gov. John S. Wilder; Gene Roberts, mayor of Chattanooga; Howard H. Baker, Jr., Chief of Staff to the President; Secretary of Labor William E. Brock III; Secretary of Education William J. Bennett; and Donald Loftis, Superintendent of Hamilton County Schools. Following the ceremony, the President returned to Washington, DC.

Nomination of Willard Ames De Pree To Be United States Ambassador to Bangladesh

May 19, 1987

The President today announced his intention to nominate Willard Ames De Pree, of Maryland, a career member of the Senior Foreign Service, Class of Minister-Counselor, as Ambassador to the People's Republic of Bangladesh. He succeeds Howard Bruner Schaffer.

Mr. De Pree was a teaching assistant in political science at the University of Michigan in Ann Arbor from 1951 to 1953. In 1952, he was a student intern at the Department of State and subsequently joined the Foreign Service in 1956. He served as a college relations officer in the Department, 1956–1957. His first overseas assignment came in 1957 as a consular officer in Cairo, Egypt, to be followed as economic/consular officer in Nicosia, Cyprus, 1958–1960. Mr. De Pree was then detailed to Northwestern University for African area training, 1960–1961, returning to the State Department as an intelligence research specialist, 1961–1964. He was assigned to Accra, Ghana, as political officer, 1964–1968, and then

became deputy chief of mission in Freetown, Sierra Leone, 1968–1970. Mr. De Pree attended the senior seminar in foreign policy at the Foreign Service Institute for a year before his assignment as deputy coordinator at the senior seminar, 1971–1972. He was a member of the Policy Planning Staff in the State Department, 1972–1975. He was appointed U.S. Ambassador to the People's Republic of Mozambique in 1976 and served there until 1980, when he became a senior inspector in the State Department. From 1982 to 1983, Mr. De Pree was Executive Assistant to the Under Secretary of State for Management, and then he became Director of the Office of Management Operations, 1983–1987.

Mr. De Pree graduated from Harvard College (B.A., 1950) and from the University of Michigan (M.A., 1952). He served in the United States Army (1954–1956). Mr. De Pree is married, has six children, and resides in Bethesda, MD. He was born November 1, 1928, in Zeeland, MI.

Message to the Congress Designating Greenland as a Beneficiary Developing Country Under the Generalized System of Preferences May 19, 1987

To the Congress of the United States:

This is to inform you of my intent to add Greenland to the list of beneficiary developing countries under the Generalized System of Preferences (GSP).

On behalf of Greenland, the Government of Denmark has requested that GSP benefits be extended to Greenland. Prior to February 1985, Greenland was part of the European Community (EC) and thus not eligible for duty-free treatment under the GSP program. However, on February 1, 1985, Greenland was granted "home rule" by Denmark and now has the status of an "Overseas Country and Territory" of the EC. Subsequently, Greenland is no longer in a customs union with the EC and is eligible for GSP treatment. We have carefully examined this request with respect to the

criteria identified in sections 501 and 502(b) and (c) of the Trade Act of 1974, as amended. In light of these criteria and particularly Greenland's level of development, I have determined that it is appropriate to extend GSP benefits to Greenland.

For your information, I am attaching a copy of the Government of Denmark's request that provides detailed information on Greenland relevant to the designation criteria of the Act.

This notice is submitted in accordance with section 502(a)(1) of the Trade Act of 1974, as amended.

RONALD REAGAN

The White House,
May 19, 1987.

Nomination of Leonard Grant Shurtleff To Be United States Ambassador to the Congo May 19, 1987

The President today announced his intention to nominate Leonard Grant Shurtleff, of New Hampshire, a career member of the Senior Foreign Service, Class of Counselor, as Ambassador of the United States of America to the People's Republic of the Congo. He succeeds Alan Wood Lukens.

Before joining the Foreign Service in 1962, Mr. Shurtleff was a utility/dairyman and milkman at Wason MacDonald Dairy in Haverhill, MA, 1956-1962. He trained as a junior Foreign Service officer in the State Department for a year before his assignment to the U.S. Embassy in Caracas, Venezuela, 1963-1965. In 1965 he went to Freetown, Sierra Leone, as political officer and served there until 1967, when he returned to Washington and became an intelligence analyst in the Bureau of Intelligence and Research. From 1969 to 1970, he took African studies at the University of Chicago.

In 1970 Mr. Shurtleff was assigned as principal officer at the United States consulate in Douala, Cameroon, and in 1972 became deputy chief of mission at the U.S. Embassy in Nouakchott, Mauritania. From 1975 to 1977, he was special assistant to the Ambassador as narcotics coordinator at the U.S. Embassy in Bogota, Colombia. He returned to the State Department as Alternate Director in the Office of Inter-African Affairs, 1977-1979, and became Deputy Director of the Office of Central African Affairs, 1979-1981. From 1981 to 1983, he served as Deputy Executive Director in the Bureau of African Affairs before being assigned to the U.S. Embassy in Monrovia, Liberia, in 1983 as deputy chief of mission. Since 1986 he has been a member of the senior seminar at the Foreign Service Institute.

Mr. Shurtleff graduated from Tufts University (B.A., 1962). He is articulate in

French and Spanish. He is married and resides in Meredith, NH. He was born on

June 4, 1940, in Boston, MA.

Proclamation 5659—Death of American Servicemen on Board United States Ship *Stark* May 19, 1987

By the President of the United States of America

A Proclamation

As a mark of respect for the American servicemen who died as the result of the attack on United States Ship STARK, which was struck by a missile on May 17, 1987, while on patrol in the Persian Gulf to keep vital sea-lanes open, I hereby order, by the authority vested in me as President of the United States of America by section 175 of title 36 of the United States Code, that the flag of the United States shall be flown at half-staff upon all public buildings and grounds, at all military posts and naval stations, and on all naval vessels of the Federal government in the District of Columbia and throughout the United States and its Territories and Possessions through Monday, Me-

morial Day, May 25, 1987. I also direct that the flag shall be flown at half-staff for the same length of time at all United States embassies, legations, consular offices, and other facilities abroad, including all military facilities and naval vessels and stations.

In Witness Whereof, I have hereunto set my hand this nineteenth day of May, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:33 a.m., May 20, 1987]

Note: The proclamation was released by the Office of the Press Secretary on May 20.

Proclamation 5660—Amending the Generalized System of Preferences May 19, 1987

By the President of the United States of America

A Proclamation

1. Pursuant to Title V of the Trade Act of 1974, as amended (the Trade Act) (19 U.S.C. 2461 *et seq.*), in Proclamation 5365 of August 30, 1985 (50 FR 36220), I designated specified articles provided for in the Tariff Schedules of the United States (TSUS) (19 U.S.C. 1202) as eligible for preferential tariff treatment under the Generalized System of Preferences (GSP) when imported from designated beneficiary developing countries. I also designated certain such

countries as least-developed beneficiary developing countries, pursuant to section 504(c)(6) of the Trade Act, as amended (19 U.S.C. 2464(c)(6)), in order to afford such preferential tariff treatment without regard to the limitations imposed in section 504(c), as amended.

2. Pursuant to section 504(c) of the Trade Act, as amended, those beneficiary countries not designated as least-developed beneficiary developing countries are subject to limitations on the preferential treatment afforded under the GSP. Pursuant to section 504(c)(5) of the Trade Act, as amended, a country that has not been treated as a bene-

ficiary developing country with respect to an eligible article may be redesignated with respect to such article if imports of such article from such country did not exceed the limitations in section 504(c)(1) (after application of paragraph (c)(2)) during the preceding calendar year. Further, pursuant to section 504(d)(1) of the Trade Act, as amended (19 U.S.C. 2464(d)(1)), the limitation provided in section 504(c)(1)(B) shall not apply with respect to an eligible article if a like or directly competitive article was not produced in the United States on January 3, 1985.

3. Pursuant to sections 503(a) and 504(a) of the Trade Act, as amended (19 U.S.C. 2463(a) and 2464(a)), in order to subdivide and amend the nomenclature of existing items for the purposes of the GSP, I have determined, after taking into account information and advice received under section 503(a), that the TSUS should be modified to adjust the original designation of eligible articles. I have also determined, pursuant to section 504(a) and (c)(1) of the Trade Act, that certain beneficiary countries should no longer receive preferential tariff treatment under the GSP with respect to certain eligible articles. Further, I have determined, pursuant to section 504(c)(5) of the Trade Act, that certain countries should be redesignated as beneficiary developing countries with respect to specified previously designated eligible articles. These countries have been excluded from the benefits of the GSP with respect to such eligible articles pursuant to section 504 (c)(1) of the Trade Act. Last, I have determined that section 504(c)(1)(B) of the Trade Act should not apply with respect to certain eligible articles because no like or directly competitive article was produced in the United States on January 3, 1985.

4. In order to reflect correctly the names of certain previously designated beneficiary developing countries, I have determined, pursuant to section 502(a) of the Trade Act, that general headnote 3(e)(v)(X) to the TSUS should be modified.

5. Section 604 of the Trade Act (19 U.S.C. 2483) confers authority upon the President to embody in the TSUS the substance of the relevant provisions of that Act, of other acts affecting import treatment, and of actions

taken thereunder.

Now, Therefore, I, Ronald Reagan, President of the United States of America, acting under the authority vested in me by the Constitution and the statutes of the United States, including but not limited to Title V and section 604 of the Trade Act of 1974, do proclaim that:

(1) In order to provide preferential tariff treatment under the GSP to certain designated eligible articles, and to provide that one or more countries should no longer be treated as beneficiary developing countries with respect to certain eligible articles for purposes of the GSP, the TSUS are modified as provided in Annex I to this Proclamation.

(2) In order to provide preferential tariff treatment under the GSP to certain countries that have been excluded from the benefits of the GSP for certain eligible articles imported from such countries, following my determination that a country not previously receiving such benefits should again be treated as a beneficiary developing country with respect to such article, the Rates of Duty Special for the TSUS items enumerated in Annex II to this Proclamation is modified: (a) by deleting from such column for each such item the symbol "A*" in parentheses, and (b) by inserting in such column the symbol "A" in lieu thereof.

(3) In order to provide that one or more countries should no longer be treated as beneficiary developing countries with respect to an eligible article for purposes of the GSP, the Rates of Duty Special column for the TSUS items enumerated in Annex III to this Proclamation is modified: (a) by deleting from each such item the symbol "A" in parentheses, and (b) by inserting in such column the symbol "A*" in lieu thereof.

(4)(a) General headnote 3(e)(v)(X) to the TSUS, listing the designated beneficiary developing countries for the purposes of the GSP, is modified as provided in section (a) of Annex IV to this Proclamation.

(b) General headnote 3(e)(v)(D) to the TSUS, listing those articles that are eligible for benefits of the GSP except when imported from the beneficiary countries listed opposite the enumerated TSUS items for those articles, is modified as provided in

section (b) of Annex IV to this Proclamation.

(5)(a) The eligible articles imported from designated beneficiary developing countries and provided for in TSUS item 632.46 shall not be subject to the limitations of section 504(c)(1)(B) of the Trade Act, as amended.

(b) Presidential Proclamation 5453 of March 31, 1986, is modified by inserting in numerical sequence in Annex IV TSUS item "632.46".

(6) Effective with respect to articles the product of Israel that are entered, or withdrawn from warehouse for consumption, on or after the dates specified in Annex V to this Proclamation, the rate of duty set forth in the Rates of Duty Special column followed by the symbol "I" in parentheses for each of the TSUS items enumerated in such Annex shall be stricken and the rate of duty provided in such Annex inserted in lieu thereof.

(7) The amendments made by this Proclamation shall be effective with respect to articles both: (a) imported on or after January 1, 1976, and (b) entered, or withdrawn from warehouse for consumption, on or after July 1, 1987.

In Witness Whereof, I have hereunto set my hand this 19th day of May, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 3:10 p.m., May 20, 1987]

Note: The proclamation was released by the Office of the Press Secretary on May 20. The annexes to the proclamation were printed in the "Federal Register" of May 21.

Memorandum on the Generalized System of Preferences May 19, 1987

Memorandum for the United States Trade Representative

Subject: Actions concerning the Generalized System of Preferences

Pursuant to section 504(f) of the Trade Act of 1974, as amended (the Act) (19 U.S.C. 2464(f)), I am hereby acting to modify the application of duty-free treatment under the Generalized System of Preferences (GSP) currently being afforded to certain beneficiary developing countries. Such countries are Bahrain, Bermuda, Brunei Darussalam, and Nauru.

Specifically, I have determined, under the provisions of section 504(f), that the per capita gross national product for each such country for calendar year 1985, calculated on the basis of the best available information, exceeds the applicable limit provided in section 504(f)(2). Accordingly, pursuant to

section 504(f)(1)(A), beginning on July 1, 1986, and continuing through June 30, 1988, the limitations on preferential treatment provided under section 504(c)(1)(B) of the Act (19 U.S.C. 2464(c)(1)(B)) shall be applied substituting "25 percent" for "50 percent." Furthermore, pursuant to section 504(f)(1)(B), effective July 1, 1988, such countries shall no longer be treated as beneficiary developing countries, and articles the product of any such country shall no longer receive preferential treatment under the GSP.

This determination shall be published in the *Federal Register*.

RONALD REAGAN

[Filed with the Office of the Federal Register, 3:11 p.m., May 20, 1987]

Note: The memorandum was released by the Office of the Press Secretary on May 20.

Remarks on Receiving the Department of Education Report on Improving Education

May 20, 1987

Well, thank you Secretary Bennett. Today we are pleased to release a government report with some good news and some common sense in it. It's the third in Secretary Bennett's "What Works" series, and it's called "Schools That Work: Educating Disadvantaged Children," and it should top the summer reading list of everyone who is concerned about the quality of education in our country. Its message is simple: Good schools make a difference. By giving students the knowledge and values they need to succeed, good schools can help children overcome poverty. They give our disadvantaged children hope, strength, and opportunity; they give them a future.

And the good news is that, as Secretary Bennett's book describes it, we have a number of these schools already, schools winning against the odds, schools that give their students just what it takes: respect for learning and the habits of heart and mind that are necessary for achievement. Instead of high dropout rates, these schools produce high test scores, regular attendance, and impressive college placement records. In schools such as these, a child's homelife or his parents' finances and education are no barrier to success.

These are schools like Chambers Elementary School in East Cleveland, Ohio, where three-quarters of the students are poor and two-thirds come from broken homes or single-parent families, but where test scores just keep going up, and most students read and do math at or above grade level. Now how does Chambers Elementary do it? Well, Principal Joseph Whelan accentuates the positive. He recites the Pledge of Allegiance every morning over the public address system; he insists on excellence; he rewards students for good work; he encourages parents to get involved. And one former student says it best: "All that schoolwork prepared me to enter high school and leave there as a straight-A student. All those rules taught me right from wrong. At Chambers, I was special." Thank you, Prin-

cipal Whelan. [*Applause*]

And then there are schools like Hales Franciscan High School in Chicago, Illinois. At Hales Franciscan, 300 young black men from Chicago's inner schools—or inner city, I should say—most of them poor, most from single-parent homes, are given an academic and religious education designed to help them escape the poverty trap and get into college. Father Mario DiCicco, the principal, and the community of Franciscan friars and lay teachers give them what it takes—a strong core curriculum, lots of homework, and an emphasis on values that encourages moral judgment and social responsibility. At least 90 percent of each year's graduates go on to postsecondary education. As many as three-quarters go to 4-year colleges. Yes, Hales Franciscan High School works. Father is not here with us today, but we can recognize what has been accomplished there.

And so does the Gaskins Freedom Youth Academy right here in Washington, DC. Henry and Mary Ann Gaskins have five children of their own and each works full-time, but they feel so strongly about education that 6 years ago they opened their home to neighborhood children and turned it into a thriving afterschool program. Today, Dr. and Mrs. Gaskins tutor 75 children, from kindergarten through 12th grade, giving poor and minority students one-on-one attention in all subject areas—even computers. And they try to "blend goodness of character with intellectual skills." And their students respond. And here, too, we find rising achievement scores and the attitudes necessary for success.

These schools and programs may seem miraculous, but their accomplishments are no mystery. They can be duplicated all over again, all around America. And they should be; we know how it's done. It's done through the effort of adults who care, men and women who never say die and who stick to traditional values and the basic principles that have always been the secret to good education.

First, schools that work for disadvantaged children are schools that believe they can make a difference. They don't use poverty as an excuse for failure. And they don't wait around for new Federal programs before they start to do their jobs. Their business is children, and their first and most important message to those children is: No matter who you are or where you're from, you can learn.

Second, schools that work for the disadvantaged are schools that help their students develop the same qualities of character and the same values that most Americans want for their children. They know there are no such things as black values and white values or poor values and rich values. No, they know there are only basic American values. They know that lower standards are double standards—and double standards are wrong. Effort, homework, discipline, values, and quality teaching are the best any education can offer—to any student, including a poor, disadvantaged child.

Finally, schools that work for disadvantaged children are, well, old-fashioned. They don't go for tricks. They use what's tried and true: clear standards of behavior, long hours, hard work, and measurable goals. They teach the basics—reading, mathematics, science, and writing. And they teach about America—our history, literature, our great heroes, and our democratic principles. In fact, Secretary Bennett tells me that one of the most striking things that he's learned in his many visits to our nation's classrooms is that those schools which instill a sense of patriotism in their students by saying the Pledge of Allegiance or singing "The Star-Spangled Banner" invariably are the most successful.

Study after study tells us that education is the surest way for individuals to rise above poverty. We've done a lot in the United States to guarantee access and opportunities for education to all our citizens, especially the disadvantaged. We've spent generously on education, more than any other nation on Earth. But too many disadvantaged children are still not getting the education they need. In some cases, we may have spent money on the wrong things. In some others, we may have tried to fix what wasn't

broken in the first place. But whatever the reason, we can do better, and we have to, because universal access to education is simply not good enough. Americans need universal access to quality education—education that works.

I just yesterday had the privilege to speak to the graduating seniors of the Hamilton County-Chattanooga City high schools—all 13 of them—not 13 students, 1700 graduates from 13 schools. And believe me, events like those are one of the best things about having this job I've got. Before me were thousands of bright, eager students ready to take to the world. America is lucky to have youth like those, like the young people one meets all over this country. And I just can't help but feel it's our duty to give them the very best education we can possibly provide. It's our duty to them, and our duty to a nation, because those young people are America's future.

And I have to relate just a little personal experience here in closing. I remember one day I was sitting in the principal's office. I wasn't invited in there for a social visit. [Laughter] And he said something that fortunately stuck in my mind, and I remembered. He said, "Reagan, I don't care what you think of me now. I'm only concerned with what you'll think of me 15 years from now." And I thank the Lord that I had the opportunity to tell him shortly before he died how I felt about him 15 years afterward, after that visit in his office. And he was a very great influence in my life.

I recommend to you a poem written by Clark Mollenhoff, the journalist who was part of the White House press corps. He has written a poem called "Teacher," and it talks to you about what teachers mean and the effect they have on children. And I think you'd all be very proud to read his opinion of you. And having read the poem myself, I share that opinion of you. Thank you, and God bless you.

Note: The President spoke at 11:50 a.m. in Room 450 of the Old Executive Office Building. In his opening remarks, he referred to Secretary of Education William J. Bennett.

Statement by Assistant to the President for Press Relations Fitzwater on the Department of Defense Report on the Strategic Defense Initiative

May 20, 1987

In response to a requirement placed on the Department of Defense in the 1987 Defense Authorization Act, the Secretary of Defense has sent to the Congress today a report which describes the effect on our Strategic Defense Initiative (SDI) program if the President were to restructure the program consistent with the broad interpretation of the ABM treaty. When he determined in October 1985 that a broad interpretation of the treaty is fully justified, the President decided then as a matter of policy that it was not necessary to restructure the SDI program as long as it was adequately supported. The classified report submitted to the Congress today describes activities which the United States could conduct under a restructured SDI program aligned to the broader interpretation of the treaty. It also lays out the Department of Defense's estimates of some of the costs involved in continued adherence to the current U.S. policy of not restructuring the SDI program.

This report parallels material already provided to the President, at his request, by the Secretary of Defense. In order to provide a basis for a decision on whether to restructure the SDI program to exercise our

rights under the broad interpretation of the treaty, the President requested an analysis of this issue as well as three legal studies of the ABM treaty prepared by the Legal Adviser of the Department of State. Two of the requested legal studies have been completed, and the third should be finished at the beginning of June. The two legal studies which have been completed have already been submitted to the Congress. The report which the Department of Defense submitted today is an element of our continuing consultations with Congress and demonstrates our commitment to providing Congress with as much information as possible on these issues.

The Strategic Defense Initiative is vital to the future security of the United States and our allies. Before the President makes a final decision about whether to restructure the program to exercise our rights under the broad interpretation of the ABM treaty, he would like the full benefit of consultations with the Congress and our allies. It is essential that the Congress, for its part, avoid taking preemptive steps which would undermine SDI. It is critically important that the executive and legislative branches of our government reach a consensus on a strong SDI program.

Appointment of Nine Members of the United States Holocaust Memorial Council

May 20, 1987

The President today announced his intention to appoint the following individuals to be members of the United States Holocaust Memorial Council:

For the remainder of terms expiring January 15, 1991:

Sheila Johnson Robbins, of New York. She would succeed Leonard E. Greenberg. Since 1975

Mrs. Robbins has been the vice president of the Robbins Agency in Union, NJ. She attended New York University. Mrs. Robbins was born December 15, 1936, in Toronto, Canada. She is married and resides in East Hampton, NY.

Erna I. Gans, of Illinois. She would succeed Ivan Boesky. Since 1972 Mrs. Gans has been president of the International Label and Printing Co., Inc., in Bensenville, IL. She graduated

from the Institute Sovietskoi Torchowli (N.A., 1942), Roosevelt University (B.A., 1971), and Loyola University (M.A., 1974). Mrs. Gans was born January 22, 1923, in Bielsko, Poland. She is married, has two children, and resides in Northbrook, IL.

For terms expiring January 15, 1992:

Albert Abramson, of Maryland. He would succeed Isaac Goodfriend. In 1948 Mr. Abramson founded the Tower Construction Co., in North Bethesda, MD, and has been a partner with the firm since that time. He graduated from George Washington University (LL.B., 1939) and served in the U.S. Army, 1942–1946. Mr. Abramson was born July 6, 1917, in New York. He is married, has three children, and resides in Bethesda, MD.

Matthew Brown, of Massachusetts. He would succeed Constantine N. Dombalis. Since 1972 Mr. Brown has been a senior partner with Brown, Rudnick, Freed & Gesmer in Boston, MA. From 1962 to 1972, he served as a special justice in the Boston Municipal Court. Mr. Brown graduated from New York University (B.S., 1925) and Harvard Law School (LL.B., 1928). He was born March 26, 1905, in New York, NY. Mr. Brown is married, has a daughter, and resides in Boston, MA.

William Anthony Duna, of Minnesota. He would succeed Jaroslav Drabek. Mr. Duna is currently the president of Bill Duna Productions/Bill Duna Studios in Minneapolis, MN. He graduated from Metropolitan Community College (A.A., 1985). Mr. Duna was born April 2, 1940, in Minneapolis, MN. He is married, has four children, and resides in Minneapolis, MN.

Abraham H. Foxman, of New Jersey. He would succeed Sol Goldstein. Since 1979 Mr. Foxman has been associate national director and direc-

tor of international affairs of B'nai B'rith Anti-Defamation League. From 1973 to 1978, he was the director of national leadership of the Anti-Defamation League, B'nai B'rith. Mr. Foxman graduated from City College of New York (B.A., 1962) and New York University School of Law (J.D., 1965). He was born May 1, 1940, in Poland. Mr. Foxman is married, has two children, and resides in Bergenfield, NJ.

Robert J. Horn, of Maryland. He would succeed Irvin Frank. Since 1978 Mr. Horn has been assistant vice president and manager of Federal affairs for the Detroit Edison Co. He graduated from City College of New York (B.B.A., 1964) and Fordham University (J.D., 1967). Mr. Horn served in the U.S. Army, 1967–1969. He was born August 23, 1943, in New York, NY. Mr. Horn is married, has three children, and resides in Chevy Chase, MD.

Bobbie Greene Kilberg, of Virginia. She would succeed Gerson D. Cohen. Mrs. Kilberg is currently an attorney and previously served as an associate counsel to President Ford (1975–1977). She graduated from Vassar College (B.A., 1965), Columbia University (M.A., 1966), and Yale Law School (LL.B., 1969). Mrs. Kilberg was born November 25, 1944, in New York, NY. She is married, has four children, and resides in McLean, VA.

Sheila Rabb Weidenfeld, of the District of Columbia. She would succeed Kitty Dukakis. Mrs. Weidenfeld is currently the executive producer and hostess of "Your Personal Decorator" for Tempo Cable Network. Previously she was president of D.C. Productions, Ltd. (1978 to present). Mrs. Weidenfeld graduated from Brandeis University (B.A., 1965). She was born September 7, 1943, in Cambridge, MA. Mrs. Weidenfeld is married, has two children, and resides in Washington, DC.

Letter Accepting the Resignation of Mari Maseng as Deputy Assistant to the President and Director of the Office of Public Liaison

May 20, 1987

Dear Mari:

It is with deep regret that I accept your resignation as Deputy Assistant to the President and Director of the Office of Public Liaison, effective July 1, 1987.

I have been fortunate to have had some-
one of your abilities and dedication on my

team for most of the past six years. From your days as a campaign worker and a press aide to Nancy, to your tenure as a speechwriter, Assistant Secretary of Transportation for Public Affairs, and your present position, you have been an invaluable help to me in implementing the goals of this Administra-

tion with skill and efficiency: Your role as Director of Public Liaison has, I know, been an especially demanding one, requiring long hours, sensitivity to the demands of a multiplicity of groups, and organizational skills. You, as usual, rose to the occasion with enthusiasm, energy, and grace under pressure. Moreover, demanding as public service may be at times, the sense of accomplishment for serving our country in a public capacity is without parallel. You have my heartfelt gratitude for a job well done.

A lot of us are going to miss you here in the White House, but I know that your new position will be an exciting and challenging one.

Nancy and I send you our best wishes for every future success and happiness. God bless you.

Sincerely,

RONALD REAGAN

Dear Mr. President:

Once again, I ask for your understanding as I submit my resignation. It has been both an honor and an incomparable opportunity to serve you and the country as your Director of Public Liaison. As a granddaughter of immigrants, I share your love for America

and the values and freedom that make it so great. It has been exciting to be a part of your team as you revived the confidence of our people and restored our natural strength.

As first a Reagan campaign worker, then speechwriter, then Assistant Secretary of Transportation and now as one of your Deputy Assistants, I have learned and grown and I hope contributed. Thank you for trusting me with such responsibility so early in my career.

Coordinating your outreach efforts hasn't been difficult because of the wellspring of love and support for you among the American people. Ensuring their views are heard as you consider policy has been rewarding because you embody the traditional values and beliefs of our citizens. Working to advance your agenda for a resurgent America has been a labor of joy.

I now would like to join U.S. Senator Bob Dole's Presidential campaign. There, I believe, I can be most effective in making certain the victories won so hard in your administration are continued and broadened in the next. Thank you for allowing me to share in the "Reagan magic." I will always be deeply grateful.

Sincerely,

MARI MASENG

Appointment of Four Members of the Board of Directors of the Federal National Mortgage Association

May 20, 1987

The President today announced his intention to appoint the following individuals to be members of the Board of Directors of the Federal National Mortgage Association for terms ending on the date of the annual meeting of the stockholders in 1988:

Samuel W. Bartholomew, Jr., of Tennessee. This is a reappointment. Mr. Bartholomew is a founder and principal in the law firm of Donelson, Stokes & Bartholomew, in Nashville, TN. Prior to this he was director of corporate development for First American Bank Holding Co., 1973-1976. Since 1981 Mr. Bartholomew has served as the chairman of the Tennessee Viet-

nam Veterans Leadership Program and Vietnam Memorial Fund. Mr. Bartholomew graduated from the U.S. Military Academy (B.S., 1966) and Vanderbilt Law School (J.D., 1973). He served in the U.S. Army, 1962-1970. Mr. Bartholomew was born June 6, 1944. He is married, has three children, and resides in Nashville, TN.

Al Cardenas, of Florida. This is a reappointment. Mr. Cardenas is a partner in the firm, Broad and Cassels in Miami, FL. He graduated from Florida Atlantic University (B.A., 1969), and Seton Hall University (J.D., 1974). Mr. Cardenas was born January 3, 1948, in Havana, Cuba. He is married, has four children and

resides in Miami, FL.

Henry C. Cashen II, of the District of Columbia. This is a reappointment. Mr. Cashen is currently a partner in the law firm of Dickstein, Shapiro and Morin. Prior to this he served as Deputy Assistant to President Nixon, in the White House, 1973–1975. Mr. Cashen graduated from Brown University (A.B., 1961) and the University of Michigan (J.D., 1963). He was

born June 25, 1939, in Detroit, MI, and resides in Washington, DC.

Vance C. Miller, of Texas. This is a reappointment. Mr. Miller is chairman of the executive committee of Henry S. Miller Co., in Dallas, TX. He graduated from Southern Methodist University (B.B.A., 1956). Mr. Miller was born October 19, 1933, in Seminole, OK. He is married and resides in Dallas, TX.

Remarks on Signing the Bill Amending the Powerplant and Industrial Fuel Use Act *May 21, 1987*

My goodness, with all of these Congressmen here, I should have brought a gavel. [Laughter] Well, to get serious, this week, we were all given a grim reminder of the human cost of our national security. We grieve the loss of our brave sons, but let no one doubt our resolve to protect our vital interests in the Persian Gulf or anywhere else. The Gulf is a particularly volatile area, but an area of utmost importance to us and to the free world. Our fleet has been there for almost 40 years, helping to ensure freedom of navigation and protect commerce. This difficult yet essential mission will continue.

Today we import only about 5 percent of our petroleum from the Gulf. Western Europe and Japan have a much higher dependency. We saw in 1974 and 1979 the disastrous effects which a disruption of Gulf oil can have upon the economy of the United States and our principal trading partners. We're working to see that that experience is not repeated. Achieving this requires American military and political strength, the cooperation of our allies, as well as economic strength and independence, especially in matters concerning energy.

And today I'm pleased to sign House Resolution 1941 into law. This legislation eliminates unnecessary restrictions on the use of natural gas. It promotes efficient production and development of our energy resources by returning fuel choices to the marketplace. I've long believed that our country's natural gas resources should be free from

regulatory burdens that are costly and counterproductive. This bill abolishes unnecessary restrictions on natural gas and petroleum markets. It also eliminates complicated natural gas pricing procedures which distorted supply and demand and raised energy prices paid by consumers and industry. Moreover, as natural gas is a clean-burning fuel, restrictions inhibiting its use have not been in the best interests of the environment. Removal of these and other regulatory obstacles will benefit our economy, energy security, and environment.

In my recent message to Congress on energy security, I urged several measures to ensure our nation has a strong domestic oil and gas industry and substantial protection against oil supply interruptions. These measures, taken together, will result in increased energy security. I have on three occasions proposed comprehensive natural gas legislation to the Congress. H.R. 1941, while not encompassing all that I proposed, is a step in the right direction—a step away from bureaucratic controls and a step toward a freer and efficient marketplace. However, much remains to be done. Price decontrol and mandatory contract carriage are still needed if the great potential of our domestic energy resources is to be achieved and energy costs to consumers lowered. I would urge the Congress to move forward from here and take action on other deregulation proposals which are awaiting their action.

And with that said, I applaud those who

have worked so hard to bring it to my desk, and I will now sign the legislation.

Note: H.R. 1941, approved May 21, was assigned Public Law No. 100-42. In his open-

ing remarks, the President referred to the attack by an Iraqi Air Force plane on the U.S.S. "Stark" in the Persian Gulf on May 18.

Statement Following a Meeting With Austrian Chancellor Franz Vranitzky

May 21, 1987

Austrian Chancellor Vranitzky and I have had a very good meeting. We talked over a set of international issues, including arms reductions and cooperation against terrorism. Chancellor Vranitzky explained to me the reaction of the Austrian Government and public to the U.S. Government's decision on Mr. Waldheim. I explained to the Chancellor the statutory basis for the decision. I also assured the Chancellor that the United States and Austria will remain close friends. We both share a strong commitment to human rights and democracy. I also told the Chancellor that Austria has every reason to be proud of its record since World War II. Its many achievements include as-

sisting thousands of refugees fleeing political and religious persecution and providing a haven for emigrating Soviet Jews. Austria has also actively worked toward creating a more peaceful world. Austrian soldiers are helping U.N. peacekeeping efforts in Cyprus and in the Golan Heights. Both of us agreed at the conclusion of our meeting to work together to strengthen further the strong ties of friendship that exist between our two nations.

Note: On April 27, the Justice Department denied a visa to Austrian President Kurt Waldheim, former Secretary-General of the United Nations.

Proclamation 5661—Prayer for Peace, Memorial Day, 1987

May 21, 1987

*By the President of the United States
of America*

A Proclamation

Any American who has ever listened to a bugler sound Taps, the last salute, whether on a green and grassy hillside, a muddy field halfway around the world, or a lonely tarmac stateside or anywhere freedom is cherished and defended, knows exactly why we set aside a special day each year to honor those who have died for our country and to pray for permanent peace.

We do so for the sons and daughters of our land who have perished in the cause of liberty, country, and peace, the cause that has called Americans from generation to

generation. We do so for the Nation that was home to these heroes and heroines, the Nation that gave them their birthright of freedom. We do so for the sacred trust they have left us, to revere, defend, and preserve all that they have revered, defended, and preserved for us.

And we pray for our dead; we ask God to bless them and take them to Himself and reward their patriot's love. We pray for those who gave their lives in the hope of a future of freedom and peace for their countrymen. We pray for peace and for the devotion and strength of soul to build it and to protect it always. We pray and we resolve to keep holy the memory of those who have died for our country and to make

their cause inseparably our own. We pray and we promise, so that one day Taps will sound never again for the young and the brave and the good.

In recognition of those brave Americans to whom we pay tribute today, the Congress, by joint resolution approved May 11, 1950 (64 Stat. 158), has requested the President to issue a proclamation calling upon the people of the United States to observe each Memorial Day as a day of prayer for permanent peace and designating a period on that day when the people of the United States might unite in prayer.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate Memorial Day, Monday, May 25, 1987, as a day of prayer for permanent peace, and I designate the hour beginning in each locality at eleven o'clock in the morning of that day as a time to unite in prayer. I urge the press, radio, television, and all other information media to cooperate in this observance.

I also direct all appropriate Federal officials and request the Governors of the United States and the Commonwealth of Puerto Rico, and the appropriate officials of all units of government, to direct that the flag be flown at half-staff during this Memorial Day on all buildings, grounds, and naval vessels throughout the United States and in all areas under its jurisdiction and control, and I request the people of the United States to display the flag at half-staff from their homes on this day.

In Witness Whereof, I have hereunto set my hand this twenty-first day of May, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:16 a.m., May 22, 1987]

Note: The proclamation was released by the Office of the Press Secretary on May 22.

Remarks at a Memorial Service for Crewmembers of the U.S.S. *Stark* in Jacksonville, Florida May 22, 1987

Our task today is simple and sad: to remember, to pay tribute to those we loved. For some of us here today, our love is the unquenchable, unforgetting love of a wife or child for a fallen father, of a mother or father for a fallen son. For others of us, this love, while more distant, is still anguished and grieving; ours is a love for a fallen countryman who died so that we, a free people, might live and this great nation endure.

Even as we hear these words, we understand again their inadequacy. We appreciate anew Lincoln's humble wisdom at Gettysburg. When brave men die, it is their deeds, not our words, that are remembered. It is their sacrifice, not our brief recollection, that offers everlasting testimony to their love for others, and their love for us. But we're human, and today we know such

great heartache. So, we come to this place to seek the simple assurance of each other and the hope of finding a higher meaning, a greater purpose. And so we ask: Why did this happen? Why to them? Could anything be worth such a sacrifice? And these fallen, whom we knew and loved but rarely thought of as great men or legends, can we now truly say they are heroes? And even if we can, would we not rather have them back, ordinary men again perhaps, but still ours, ours to hold and to keep?

The answers are hard. Hard because memory forces some of us to remember other faraway places which Americans had never heard of until their sons and brothers and fathers and friends fell there. Each Memorial Day, and especially with the news of the past week, my own mind has turned many times to the great war of 46 years

ago. Few of us who lived through it can ever forget those opening months of conflict, when our nation and our fighting men were so sorely tested.

In later years, in the South Pacific campaign, American sailors would speak often of the bravery of the marines they put on the beaches to fight and die; but one night, especially, off a place called Guadalcanal, as the shellfire lit the darkness in one of the most violent surface actions ever seen, it was the marines who stood in awe and in silent tribute to the men of the United States Navy. Hopelessly outnumbered and outgunned, a small group of U.S. ships had taken on a powerful enemy fleet. And though five Medals of Honor were won and the enemy was turned back and Guadalcanal was saved, the price was so high and the burden so heavy—nine ships and hundreds of young lives. And none of us who were alive then can forget the special burden of grief borne by Mr. and Mrs. Thomas Sullivan of Waterloo, Iowa. They would remember forever the autumn afternoon they learned that their sons—George, Francis, Joseph, Madison, and Albert—the Five Sullivans as we knew them then, would not be coming home.

But while our sorrow was great in those days, I cannot help but tell you this morning that in some ways it was easier to bear then, because it was easier to understand why we were there and why we were fighting. The burden of our own time is so different. And when young Americans like those of the U.S.S. *Stark* die in far-off seas, we learn again how right President Kennedy was when he spoke of the sacrifices asked by a “hard and bitter peace” and our own “long twilight struggle.” Even at moments like these, then, we must address directly the reason the U.S.S. *Stark* and her men were there in the Persian Gulf. You’re entitled to know the importance of the role that their valor played in keeping our world safe for peace and freedom.

There’s a reason why, since 1949, American ships have patrolled the Gulf. Every American President since World War II has understood the strategic importance of this region: It is a region that is a crossroads for three continents and the starting place for the oil that is the lifeblood of much of the

world economy, especially those of our allies in Europe. Even more important, this is a region critical to avoiding larger conflict in the tinderbox that is the Middle East, and our role there is essential to building the conditions for peace in that troubled, dangerous part of the world. And it is this objective that has guided us as we’ve sought to end the brutal war between Iran and Iraq, a war that has gone on for over 6½ terrible years and taken such an awful toll on human life.

Peace is at stake here, and so too is our own nation’s security and our freedom. Were a hostile power ever to dominate this strategic region and its resources, it would become a chokepoint for freedom—that of our allies and our own. And that’s why we maintain a naval presence there. Our aim is to prevent, not to provoke, wider conflict, to save the many lives that further conflict would cost us.

The fallen sailors of the U.S.S. *Stark* understood their obligations; they knew the importance of their job. So, too, I believe that most Americans today know the price of freedom in this uneasy world. They know that to retreat or withdraw would only repeat the improvident mistakes of the past and hand final victory to those who seek war, who make war, who know it would only invite further aggression and tragedy. So, it’s a simple truth we reaffirm here today: Young Americans of the U.S.S. *Stark* gave up their lives so that the terrible moments of the past would not be repeated, so that wider war and greater conflict could be avoided, so that thousands, and perhaps millions, of others might be spared the final sacrifice these men so willingly made.

So, we ask again: Were they heroes? “Heroes are not supermen,” Herman Wouk once reminded us, “they’re good men, and embodied by the cast of destiny, the virtue of a whole people in a great hour.” And writing of the thousands of such heroes in our nation, men and women who wear our country’s uniform in this troubled peace of ours, he asked us to never forget “to reassure them that their hard, long training is needed, that love of country is noble, that self-sacrifice is rewarding, that to be ready to fight for freedom fills a man with a sense

of worth like nothing else.” And he said, “If America is still the great beacon in dense gloom, the promise to hundreds of millions of the oppressed that liberty exists, that it is the shining future, that they can throw off their tyrants, and learn freedom and cease learning war, then we still” need heroes “to stand guard in the night.”

The men of the U.S.S. *Stark* stood guard in the night. One of our Ambassadors paid them this tribute: “They were tough, they were brave, they were great.” Well, they were great, and those that died did embody the best of us. Yes, they were ordinary men who did extraordinary things. Yes, they were heroes. And because they were heroes, let us not forget this: that for all the lovely spring and summer days we will never share with them again, for every Thanksgiving and Christmas that will seem empty without them, there will be other moments, too, moments when we see the light of discovery in young eyes, eyes that see for the first time the world around them and know the sweep of history and wonder, “Why is there such a place as America, and how is it that such a precious gift is mine?” And we can answer them. We can answer them by telling of this day and those that we come to honor here. And it’s then we’ll see understanding in those young eyes; it is then they will know the same gratitude and pride that we share today, the gratitude and pride Americans feel always for those who suffer and die so that the precious gift of America might always be ours.

The men of the U.S.S. *Stark* have protected us; they have done their duty. Now let us do ours. Senior Chief Gary Clinefelter showed us how yesterday. He had volunteered to work at the coordinating center here for the families when he received word that his own son, Seaman Brian Clinefelter, previously listed as missing in action, was among the confirmed dead. “I need to keep working,” he said. He stayed at his post; he carried on. Well, so, too, we must carry on. We must stay at our post. We must keep faith with their sacrifice. In our

great hour, we must answer, as did they, the call of history. It’s a summons that, as a nation or a people, we did not seek, but it is a call we cannot shirk or refuse—a call to wage war against war, to stand for freedom until freedom can stand alone, to live for liberty until liberty is the blessing and birthright of every man, woman, and child on this Earth.

And let us remember a final duty: to understand that these men made themselves immortal by dying for something immortal, that theirs is the best to be asked of any life—a sharing of the human heart, a sharing in the infinite. In giving themselves for others, they made themselves special, not just to us but to their God. “Greater love than this has no man than to lay down his life for his friends.” And because God is love, we know He was there with them when they died and that He is with them still. We know they live again, not just in our hearts but in His arms. And we know they’ve gone before to prepare a way for us. So, today we remember them in sorrow and in love. We say goodbye. And as we submit to the will of Him who made us, we pray together the words of scripture: “Lord, now let thy servants go in peace, Thy word has been fulfilled.”

May I point out again, so many of you have known long months of separation from your loved ones, from those young men. You were separated by distance, by miles of land and ocean. Now you are separated again, not just by territorial limits but because they have stepped through that door that God has promised all of us. They do live now in a world where there is no sorrow, no pain. And they await us, and we shall all be together again.

God bless you.

Note: The President spoke at 11:57 a.m. at the Mayport Naval Station. Following the memorial service, he met with the families of the crewmembers who lost their lives in the missile attack. The President then traveled to Camp David, MD.

Statement on the 40th Anniversary of the Truman Doctrine May 22, 1987

Forty years ago today President Truman signed Public Law 75 of the 80th Congress, which provided \$400 million in U.S. military assistance to Greece and Turkey. This was the first postwar commitment of the United States to provide the resources and support necessary for free countries of the world to meet the threat of Communist expansionism and brought into being the Truman doctrine.

The Truman doctrine was rooted in a fundamental assumption as true now as in 1947: A healthy democracy in the United States requires strong democratic partners in the world. Its purpose was to help the peoples of Greece and Turkey in their efforts to secure their freedom. It succeeded

through the mutual efforts of the American, Greek, and Turkish people, who through their courage and perseverance met head-on and defeated the immediate postwar threat. Today Greece, Turkey, and the United States are linked together as members of the North Atlantic Treaty Organization, freedom's strongest shield.

Today we celebrate the wisdom and courage of President Truman and those who worked so hard to make this a cornerstone of American foreign policy. We also salute our Greek and Turkish allies. Our ties are built on a proud tradition of mutual respect and support, one that we are dedicated to preserving and nurturing in the years to come.

Proclamation 5662—National Day of Mourning for the Victims of United States Ship *Stark* May 23, 1987

*By the President of the United States
of America*

A Proclamation

Every year, in the beautiful springtime, the American people pause on a special day to pay the heartfelt tribute of love and remembrance to all the sons and daughters of our land who have laid down their lives on the altar of liberty. This year, our Memorial Day remembrance is tinged with fresh sorrow as we honor and mourn the brave men taken from us a short week ago.

No words of ours can pay them the full tribute that is their due: their service, sacrifice, and love of country crown their memory on this day of grief and will do so as long as there is an America that defends freedom and honors its heroic champions. Let us pay tribute, then, to the dead and injured of United States Ship STARK by making their faithfulness and courage and love our own, ever and always. Without Americans like them, there would be no

land of the free and no home of the brave; because of Americans like them, the lamp of liberty burns on undimmed, unvanquished, and unquenchable.

In solemn recognition of the valiant crew members of United States Ship STARK who lost their lives or were injured, the Congress, by House Joint Resolution 290, has designated May 25, 1987, as "National Day of Mourning for the Victims of the U.S.S. STARK" and has authorized and requested the President to issue a proclamation in observance of this day.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby appoint Monday, May 25, 1987, as National Day of Mourning for the Victims of United States Ship STARK. I call upon all Americans to observe this day with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this 23rd day of May, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the

United States of America the two hundred and eleventh.

[Filed with the Office of the Federal Register, 10:54 a.m., May 26, 1987]

RONALD REAGAN

Radio Address to the Nation on Memorial Day and the Budget Deficit

May 23, 1987

Nancy and I had a sad duty yesterday but one that also had its proud moments. We traveled to Mayport, Florida, to pay tribute to the young men of the U.S.S. *Stark*, 37 of whom were killed last Sunday after an attack on their ship in the Persian Gulf. Yesterday we saw the bravery of the families of these young men. Despite their terrible loss, their courage was a tribute to the valor of their fallen sons and husbands. But, as Lincoln noted long ago, at such moments there really are no words—the deeds of our heroes are their own best testimony to their love for our nation, and for our people.

We can take some comfort, though, in knowing that the *Stark's* mission was a vital one for us as a free people. Since 1949 American ships have patrolled in the Gulf, an area that is a vital strategic and economic crossroad for the nations of three continents, an area that in the hands of a hostile power would be a chokepoint of freedom. And that's why we owe the crew of the U.S.S. *Stark* and their brave families such a deep debt of gratitude. It's a debt that should be on all of our minds this Memorial Day weekend as we recall those who have fallen in our nation's service.

In addition to remembering these young men and all the others whose struggle and sacrifice protected this nation, we celebrate this weekend another moment when brave men and women worked to make our country, one nation indivisible. Exactly 200 years ago delegates from 7 of the Original 13 Colonies met in Philadelphia to begin work on forming a new government. It marked the beginning of that famous miracle at Philadelphia, a miracle that brought forth perhaps the most enduring document or instrument, I should say, of human government ever known: our Constitution. Over

the years, historical and legal scholars have continued to marvel at its wisdom and prudence. In some mysterious way it seemed to provide for every contingency; it set up a structure of government strong enough to maintain national unity but flexible enough to change with the times.

One part of our Founding Fathers genius was their provision for amending the Constitution. They knew they had created a good document but not a perfect one. In fact, even two centuries ago, some of them, especially Thomas Jefferson, were troubled by one omission: the lack of a limitation on public borrowing by the Federal Government. They knew from firsthand experience how tyranny abused the fiscal powers of government, how excessive borrowing and heavy taxation led to inflated currencies and economic hardship. Well, even in their reservations about the Constitution the Founding Fathers were perceptive and wise.

I think most of you know how badly out of control Federal spending has gotten in recent years; today the national debt is \$2.25 trillion. In 1985 the Congress tried to do something about its excessive spending by passing a bill called Gramm-Rudman-Hollings that put deficit spending on a steady decline until we reached a balanced budget in the early 1990's. But lately, Congress has been returning to its old ways and forgetting the solemn promises it made under this law. That's why I'm one of those Americans who has always believed a constitutional amendment mandating that Congress balance the budget is the answer to what ails us. And we've tried to get such an amendment through the Congress so that the State legislatures could vote on it.

This reluctance by the Congress has inspired a number of Americans to try another method provided for in the Constitution: a constitutional convention, one with delegates from each State who could propose a balanced budget amendment and then send it on to the State legislatures for approval. Only two more States are needed to call such a convention. And believe me, if the Congress continues to balk at passing the balanced budget amendment, I think the drive for a constitutional convention will pick up steam. So, this Memorial Day, as we think of those who paid the ultimate sacrifice for our nation, we should not forget to also reflect on our own duties, to the way of life, and the system of government for which they died. Certainly, wast-

ing our national wealth and burdening future generations with mountains of debt does not keep faith with those who have struggled and sacrificed to begin a new form of government here on our shores.

And I hope you'll do something else, as well. Keep especially in mind the brave sailors of the U.S.S. *Stark*. Do me a favor, won't you: Whisper a prayer for them and for their families, that God may bless them and their nation which they so nobly served and for which they so nobly died.

Until next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from Camp David, MD.

Remarks at the Swearing-in Ceremony for William H. Webster as Director of the Central Intelligence Agency

May 26, 1987

Ladies and gentlemen of the Central Intelligence Agency and the intelligence community, so important is the work you perform that it is a plain statement of fact to say in gathering here today to swear in your new Director, William Webster, we have come together for an event that will shape our nation's history and affect the course of freedom throughout the world.

The Central Intelligence Agency finds its roots in the earliest days of the Republic. General George Washington said that intelligence service demands those on "whose firmness and fidelity we may safely rely." And during World War II, dedicated Americans answered the call—sometimes the ultimate call—in the Office of Strategic Services. Their creativity and achievement remain the building blocks for today. Among those was the late Bill Casey, whose determination and personal courage in the clandestine effort against Adolph Hitler meant the difference between victory and defeat. While the world changed in 45 years since the OSS was founded, his capacity for leadership did not, nor did the devotion of the men and women of our intelli-

gence services.

From the days in the late seventies, where we found America's intelligence capabilities reduced and demoralized, today our intelligence community performs a vital role in the struggle against international terrorism and drug trafficking. It exposes and counters the huge, menacing apparatus of Soviet espionage and propaganda, and scouts future challenges. Unfortunately, many of your successes can only be celebrated in private. But those of us in the executive branch and the Congress know about these gallant efforts and recognize, for example, verifying arms reduction agreements and the continued expansion of freedom must rest on a solid intelligence foundation. So, we have a responsibility to assure the American people that they have the best intelligence service in the world, and that it is staffed by honorable men and women who work within the framework of our laws and our shared values.

It's become fashionable in some quarters to act as if the Central Intelligence Agency were somehow not completely a part of our own government—as if it were not con-

stantly working against hostile powers who threaten the security of the American people. But our liberty, our way of life, requires eternal vigilance. The United States cannot survive in the modern world without a vigorous intelligence agency, capable of acting swiftly and in secret. So long as I am President, I will never consent to see our intelligence capability undermined. As Bill Casey said only a short time before his death, this is not an arena "for tender egos or shrinking violets. The clashes and ideas can get rough; no one's views are protected from challenge nor is the CIA the place for the cynical or the merely curious. It is instead a place for people who are aware of the world and who are ready and willing to make a commitment to serve their country in a challenging environment where one person can indeed make a difference."

William Hedgcock Webster is just such a man. After service with the Naval Reserve during two wars, he began a legal career of extraordinary accomplishment that would last a quarter century and culminate in distinguished terms as judge of the U.S. District Court for Eastern Missouri, and as U.S. Court of Appeals for the Eighth Circuit. In 1978 President Carter appointed him Director of the Federal Bureau of Investigation. The late seventies were a difficult time for the FBI, and in leaving the bench, Judge Webster was forfeiting a lifetime post and work that he loved. Even so, he stated that he looked on the assignment as, quote, "a great adventure." Even so, he asserted his absolute determination, quote, "to maintain the high standards and traditions of the FBI." Asked why he was so willingly taking upon himself so heavy a burden, Judge Webster answered simply, "I am an old Navy man, and I heard a bosun's pipe."

That remark alone says a great deal about the judge. He does not look upon his nation's call to duty as something onerous, something to be endured. He looks upon it instead as something inviting, something even invigorating—a bosun's pipe. And during these past 9 years, Judge Webster has done more than maintain the standards of the FBI; he has raised them. The Bureau under Judge Webster has for the first time become expert in drug investigations and white-collar crime. It has made innovative

use of high-technology equipment. And I've often spoke of the need for dramatic, historic strikes against organized crime and praised the FBI's brilliant role in this endeavor. Morale in the FBI has soared. Today the Bureau is a proud institution, thoroughly imbued with a sense of public service. And confidence in the Bureau on the part of Congress, the President, and most important, the American people—this confidence is strong and vital. Judge Webster, I know that as you leave the FBI, you leave behind much that you will miss. And I know that your colleagues at the Bureau will want to join me as, on behalf of the American people, I thank you for a job well done.

Now the bosun's pipe has sounded. In becoming director today of the Central Intelligence Agency, Judge Webster is stepping up to the leadership of an institution that is, by its very nature, a likely subject of controversy. Yet it is also irreplaceable. The CIA routinely places demands upon its employees that would elsewhere be deemed outrageous. Yet it offers them the satisfaction of keeping freedom's candle burning.

And now, Judge Webster, we turn over to you the stewardship of this devoted group of men and women. Their mission is nothing less than the defense of liberty. Just consider the agency's history. And although the specific undertakings must remain secret, today this agency uses all its resources to advance the cause of freedom. So, Judge Webster, we ask you to maintain this agency's high standards, as you pledged to maintain those of the FBI. We ask you to lead the Central Intelligence Agency on to still greater service to our nation. And we know that, given your service at the FBI—given your entire career—in leading this great and vital institution, you'll make it greater still.

I can't resist closing with one story about the judge that will give all of you at the Agency an insight into your new Director. It seems that when Attorney General Griffin Bell first approached the judge about taking the FBI job back in 1978, Judge Webster had a few doubts—serious doubts. According to one account, when the judge came to Washington, he and the Justice De-

partment officials sat down and very carefully went over all the reasons he shouldn't take the job. Sure enough, they were good reasons, and it looked for awhile as though the judge would return to St. Louis to go right on being a judge. And then one official said simply this: "Judge, I can think of no reason for you to accept the appointment, unless you want to make a patriotic

gift to your country."

I guess that was when you heard the whistle.

Thank you all. God bless you.

Note: The President spoke at 3:55 p.m., at the Central Intelligence Agency in Langley, VA.

Nomination of Mark L. Edelman To Be United States Ambassador to Cameroon

May 26, 1987

The President today announced his intention to nominate Mark L. Edelman, of Missouri, to be Ambassador of the United States to the Republic of Cameroon. He would succeed Myles Robert René Frechette.

Mr. Edelman was a management intern and Africa budget analyst for the United States Information Agency in Washington, DC, from 1965 to 1967. He then served as a cost analyst for the Planning Research Corp., in Washington, DC, in 1968. Thereafter he became a budget examiner for the Bureau of the Budget, Office of Management and Budget, 1968-1972. He left to serve in the gubernatorial campaign staff of Christopher S. Bond in St. Louis, MO, in 1972. From 1973 to 1976, Mr. Edelman was State budget director, Jefferson City, MO, to be followed as deputy commissioner of

administration, Office of Administration, Jefferson City. He became legislative assistant to Senator John C. Danforth in Washington, DC, 1977-1981. In 1981 he served for awhile as program analyst for the Agency for International Development before joining the Department of State as Deputy Assistant Secretary in the Bureau of International Organization Affairs, 1981-1983. Mr. Edelman then joined the Agency for International Development, first as senior advisor to the Administrator and Executive Secretary, 1983-1984, and since 1984 he has been Assistant Administrator for Africa.

Mr. Edelman graduated from Oberlin College (A.B., 1965). He was born June 27, 1943, in St. Louis, MO. Mr. Edelman is married and resides in Washington, DC.

Nomination of W. Nathaniel Howell To Be United States Ambassador to Kuwait

May 26, 1987

The President today announced his intention to nominate W. Nathaniel Howell, of Virginia, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador of the United States to the State of Kuwait. He would succeed Anthony Cecil Eden Quainton.

Before joining the Foreign Service in 1965, Mr. Howell was an instructor in gov-

ernment and foreign affairs at the University of Virginia for a year. His first assignment as a junior officer was executive assistant to the Ambassador at the U.S. Embassy in Cairo, Egypt. In 1967-1968 he served as political officer to the United States Mission to the North Atlantic Treaty Organization in Paris, France, and Brussels, Belgium. He returned to Washington in 1968-1970 as a

political analyst in the Bureau of Intelligence and Research. He then took Arabic language training at the Foreign Service Institute in Beirut, Lebanon, 1970–1972, following which he was assigned as deputy principal officer/commercial officer at the U.S. Embassy in Abu Dhabi, United Arab Emirates. From 1974 to 1976, Mr. Howell was political officer at the U.S. Embassy in Beirut and returned to the Department in 1976–1977 as Lebanon country officer in the Bureau of Near Eastern and South Asian Affairs. He was Deputy Office Director in the Office of Lebanon, Jordan, Syrian Arab Republic, and Iraq Affairs (NEA/ARN), 1977–1979; Special Assistant for Arab-Israeli Policy, 1979–1980; and Director, NEA/ARN, 1980–1982. Mr. Howell at-

tended the National War College at Fort McNair, 1982–1983, and thereafter became deputy chief of mission at the U.S. Embassy in Algiers, Algeria, 1983–1985. From September 1985 through January 1986, he was Deputy Director, Near East and South Asia, Politico-Military Affairs, and since then has been political adviser to the Commander in Chief, United States Central Command at MacDill Air Force Base in Tampa, FL.

Mr. Howell graduated from the University of Virginia (B.A., 1961; Ph.D., 1965), and he received a diploma from the National War College (1983). He is articulate in Arabic and French. Mr. Howell was born September 14, 1939, in Portsmouth, VA. He is married, has two sons, and resides in Arlington, VA.

Accordance of the Personal Rank of Ambassador to Ann B. Wrobleski While Serving as United States Delegate to the International Conference on Drug Abuse and Illicit Trafficking *May 26, 1987*

The President today announced his intention to accord the personal rank of Ambassador to Ann B. Wrobleski in her capacity as United States delegate to the International Conference on Drug Abuse and Illicit Trafficking in Vienna, Austria, from June 17 to 26, 1987.

Ms. Wrobleski is presently Assistant Secretary of State for International Narcotics Matters (INM). Prior to her appointment in September 1986, she served as Acting Assistant Secretary for INM, from May to September, and served as Deputy Assistant Secretary from 1985. Ms. Wrobleski was Special Projects Director for the First Lady at the White House, 1981–1985. She was appointed a member of the Interagency Com-

mittee on Women's Business Enterprise in October of 1983. Prior to her government service, Ms. Wrobleski was assistant press secretary to Senator Edward Gurney of Florida, 1973–1974; traveling press secretary for Florida candidate Jack Eckerd, 1974 and 1978; research assistant to the House Republican Research Committee, 1975–1978; press secretary to Congressman Lou Frey, 1975–1978; and deputy press secretary and director of scheduling for Senator Richard Stone of Florida, 1979–1980.

Ms. Wrobleski graduated from Stephens College (B.A., 1972). She was born April 3, 1952, in Fort Lauderdale, FL. Ms. Wrobleski is married and resides in Bethesda, MD.

Nomination of Michael Gordon Wygant To Be United States Representative to Micronesia

May 26, 1987

The President today announced his intention to nominate Michael Gordon Wygant, a Foreign Service officer of Class One, to be the United States Representative to the Federated States of Micronesia. This is a new position.

Mr. Wygant joined the Foreign Service in 1959 and was assigned as a research analyst for African affairs in the Bureau of Intelligence and Research. He served as a vice consul from 1962 to 1964, at our consulate general in Harare, Zimbabwe. He then went to Boston University for a year as a graduate student in African studies. From 1965 to 1967, he served as second secretary, economic officer at the U.S. Embassy in Lomé, Togo. Mr. Wygant returned to Washington, DC, to study Russian at the Foreign Service Institute for a year before his assignment as second secretary, political officer at the U.S. Embassy in Moscow, U.S.S.R., 1968–1970. Mr. Wygant served for a year thereafter in the Bureau of Intelligence and Research before he was assigned

as civil operations chief in Pleiku, South Vietnam. He returned to Washington in 1973 as country desk officer for Guinea and Benin in the Bureau of African Affairs. From 1975 to 1978, he was Chargé d'Affaires at the U.S. Embassy in Banjul, The Gambia. He then went to the U.S. Embassy in Canberra, Australia, as first secretary and political officer, 1978–1981. He served as Director, Public Affairs, Bureau of African Affairs, 1981–1982, and Deputy Director, Office of Cooperative Science and Technology Programs in the Bureau of Oceans and International Environmental and Scientific Affairs, 1983–1985. Since 1985 Mr. Wygant has been status liaison officer, Trust Headquarters, Saipan, Northern Mariana Islands.

Mr. Wygant graduated from Dartmouth College (A.B., 1958). He served in the United States Army from 1958 to 1959. Mr. Wygant is articulate in French and Russian. He was born June 22, 1936, in Newburgh, NY. Mr. Wygant is married, has three daughters, and resides in Salem, MA.

Nomination of Charles L. Gladson To Be an Assistant Administrator of the Agency for International Development and a Member of the Board of Directors of the African Development Foundation

May 26, 1987

The President today announced his intention to nominate Charles L. Gladson to be an Assistant Administrator of the Agency for International Development (Bureau of Africa), U.S. International Development Cooperation Agency, and to be a member of the Board of Directors of the African Development Foundation for the remainder of the term expiring September 22, 1991. He would succeed Mark L. Edelman in both capacities.

Mr. Gladson is currently Senior Deputy Assistant Administrator for the Bureau for

Private Enterprise at the Agency for International Development (AID). Prior to this, he served as the mission director for Kenya at AID, 1984–1986; and Deputy Assistant Administrator, Bureau for Food for Peace and Voluntary Assistance, AID, 1981–1984.

Mr. Gladson graduated from San Jose State University (B.A., 1956) and the University of California (J.D., 1963). He served in the U.S. Navy from 1957 to 1960. Mr. Gladson was born January 25, 1934, in Glendale, CA. He is married, has four children, and resides in McLean, VA.

Nomination of Randolph J. Agley To Be a Member of the Advisory Board of the Saint Lawrence Seaway Development Corporation

May 26, 1987

The President today announced his intention to nominate Randolph J. Agley to be a member of the Advisory Board of the Saint Lawrence Seaway Development Corporation, Department of Transportation. He would succeed John R. Wall.

Mr. Agley is presently the chairman of the board and the chief executive officer of Talon, Inc., in Roseville, MI. Prior to this he

served as the manager of the small business division of Arthur Andersen & Co., in Detroit, MI.

Mr. Agley graduated from the University of Michigan (B.B.A., 1964; M.B.A., 1965). He was born December 2, 1942, in Brooklyn, NY. Mr. Agley is married, has two children, and currently resides in Grosse Pointe Farms, MI.

Nomination of Samuel K. Lessey, Jr., To Be Director of Selective Service

May 26, 1987

The President today announced his intention to nominate Samuel K. Lessey, Jr., to be Director of Selective Service. He would succeed Thomas K. Turnage.

Mr. Lessey is currently a private investor in Hancock, NH. Prior to this, he was the Inspector General at the United States Synthetic Fuels Corporation, 1982–1986; and Mobilization Assistant to the Director of the Federal Emergency Management Agency,

from 1979 to 1982.

Mr. Lessey graduated from the United States Military Academy (B.S., 1945); Harvard Law School (LL.B., 1951); and Harvard Business School (M.B.A., 1956). He served in the U.S. Air Force, 1942–1954, and the U.S. Air Force Reserve, 1954–1983. Mr. Lessey was born October 9, 1923, in Newark, NJ. He currently resides in Hancock, NH.

Interview With Foreign Journalists Prior to the Venice Economic Summit

May 26, 1987

Upcoming Elections in Italy

The President. Well, I think we'll start with the host country.

Q. And again, we want to thank you very much for granting us the interview, Mr. President. And I'm sure you will enjoy Venice and you will enjoy Italy.

The President. Looking forward to it.

Q. You will be in Italy a few days just before the elections.

The President. Yes.

Q. Do you consider Italy a country so

politically stable that the elections do not worry you, or is your administration worried about the Communist participation in the Government and about repercussions on NATO?

The President. Well, I can't deny wherever in the world I find a Communist movement their conduct has been such that it's of concern. But, no, and I think it would be improper for me to inject any opinions into your election there. But I have great confidence that the Italian people will do what's

right, as they have for quite some time now.

Q. Thank you.

Persian Gulf

Q. Mr. President, can you conceive any circumstances on which the United States would go to war with Iran as a result of military actions against the United States warships in the Persian Gulf, and what part would you expect the allies to play?

The President. Well, I think that all of us, the allies, have expressed ourselves very many times: that the Persian Gulf is international waters; it must stay open. It's vital to most of the countries of Western Europe because of the oil from there, as well as Japan. And it's important to us, although not quite as vital with regard to the amount of oil that we bring out of there. I don't see the danger of a war. I don't know how it could possibly start, except that it is true this is not the first place or the only place in the world where we have felt it necessary to maintain a military force. And always, we have followed the rule that we're not going to send our people anywhere unless they are permitted to defend themselves if attacked. And we're not out to attack anyone, but we will, if fired upon, will fire back.

Acid Rain

Q. Mr. President, I'm the Canadian reporter, so you won't be very surprised with this first question I have for you. Just before leaving Ottawa in April, you told [Prime Minister] Mr. Mulroney that you would consider a bilateral accord to reduce the pollution that causes acid rain. When we got back in Washington 2 weeks later, your top environmental official, Lee Thomas, said that such emission controls were not justified. So, I'm asking you, Mr. President, are you willing to negotiate an accord that would set goals and timetables and controls or not?

The President. I have told our people that I think we should use the pattern that Canada and the United States used with regard to polluted air—or polluted water along our borders. And we were very successful in cleaning up the lakes and the streams that either crossed our borders or

that were very close to them. And we worked together on that. And that is the pattern that I said I thought we should follow here. And we are in consultation. And we have a great deal of work to do ourselves on pinning sources and so forth. But all of that is going forward. It isn't something that you can just say that we'll do it at 10 a.m. in the morning. But we intend to work closely with Canada and find an answer to the problem.

Japan-U.S. Semiconductor Trade

Q. I am a Japanese journalist. Many Japanese people are hoping that the United States will lift the sanctions as a result of the semiconductor codes prior to the Venice summit. Is there any chance that the United States will lift the sanctions prior to the summit?

The President. We are looking forward to doing that as quickly as we can, but it depends on those Japanese concerns agreeing to the—or abiding by the terms that were agreed to earlier. And then that agreement was violated, and this is what brought about our retaliation. I don't know that it can be done as quickly as our going to the summit, which is almost upon us, but it will be done as soon as, as I say, all those conditions are met. And I know that Prime Minister Nakasone is doing his best and is being most cooperative in trying to arrive at a settlement.

Human Rights and Regional Conflicts

Q. Mr. President, you have always emphasized that progress in arms control should be linked with progress in human rights. You are making progress in arms control at the moment, and as you're going to Berlin next month and as you're going to see the wall which divides the city, don't you think that the time has come for a new initiative on human rights? And what will be your message to the people of Berlin? And what will be the message to Mr. Gorbachev from Berlin?

The President. Well, I don't know what his message might be, but I'm quite sure that I will make reference to the wall and what it represents. I believe that we have made progress, some progress in human

rights, not as much as we would like or as fast as we would like. But there has been an increase in the releasing of political prisoners, dissidents from captivity in the Soviet Union. There has been an increase in emigration of people of the Jewish faith—allowed to leave the country. There's a greater distance to go, much more to be done, but at least we're seeing the signs of improvement in that field of human rights.

I think another thing also has to do—that's tied into arms reduction, must be the regional aspect. And there, I think the Soviet Union—they have expressed their desire to get out of Afghanistan, and I think we all should be encouraging them to make good on that statement and move as fast as possible to end an assault that has seen almost 5 million people have to flee their country as refugees and live in neighboring countries.

And it is a brutal assault on the people who remain. We're seeing attacks on children—deliberately aimed at children by the use of weapons that are made to look like child's toys, but which, when picked up, cause either the death or the severe injury of the children. I recently had five children in this office right here who'd been brought to our hospitals from Afghanistan. And one of them, a small, tiny girl, was horribly disfigured by burns. But the other four were either missing a leg or an arm. And there must come an end to that.

United Kingdom-U.S. Relations

Q. Peter Pringle, from the Independent in London. Over the years, Britain, irrespective of which political party is in power, has enjoyed a strong, special relationship with the United States, including an American military presence with nuclear weapons on British soil. Irrespective of the result of the general election now being fought in Britain, will you do everything in your power to maintain this relationship in general and specific terms?

The President. Yes. It's difficult for me to conceive of a time when we would not have the almost family relationship that we have between our two countries. I have admired your Prime Minister and the progress that has been made in many fields there, but I know that I can't go beyond that,

because I'm not going to, again, intervene or express an opinion with regard to your politics.

But the relationship between our two countries does go back many, many years, and I think it would take more than an election in either one of our countries to change that.

Persian Gulf

Q. Mr. President, may I go back a moment to the Persian Gulf? People say, especially in Congress, that there is a danger of war. And in any case, confrontation with Iran could cause a resurgence in terrorism and dampen the peace process in the Middle East. Do you think these objections are true, and what do you expect the Europeans to do to help you there? Specifically, what do you expect Italy, for instance, to do to help you?

The President. Well, in the economic summit last year in Japan, we came to quite some sizable agreements with regard to terrorism and the cooperation between all of our countries on that. There is no question but that the Iranian Government does support terrorism. And I would think that the issues, as I expressed them earlier, about simply defending ourselves with regard to our own ability to maintain trade in the open waters—I don't see that as bringing on a war.

As a matter of fact, we're doing everything we can, working with other countries to try and bring about an end to the war that we have. Now, Iraq has already expressed a willingness to simply end the war, both sides retreat to their own borders, no one gain any territory or suffer any penalty, just simply end the war. Iraq has expressed a willingness to do this, and the only hold-out is Iran. We're going to continue to try and press for peace there. It's my understanding that war has taken about a million lives so far. I don't think that they would like to take on the United States in addition to Iraq. And we're not going to start a war, so it would have to be them if they tried to start one.

Nuclear Weapons in Europe

Q. Mr. President, go back to the negotia-

tion with the Soviet Union. In case of an agreement about the double zero option, what will you answer to those who fear denuclearization of Europe?

The President. Well, I think we're a long way from denuclearization of Europe. You have really three sets of weapons. The ones that we're talking particularly about in having a zero option are the intermediate range. Now, also there is a talk about the short range. But even if that should be done, you have that third group which, in the case of the allies, would number someplace in 4,000 warheads. These are the battlefield weapons, the airplane-carried weapons and so forth, and some nuclear submarines that are dedicated to our agreement with the European nations. So, denuclearization is a long way away. Then I would have to point out that as you proceeded—if you did—into that field that is where it would absolutely have to include conventional weapons. Because there is an imbalance that is redressed right now by way of nuclear weapons, without them would leave the Soviet Union with a tremendous advantage: conventional weapons. That would have to be redressed.

Canada's Role in the Arctic

Q. Mr. President, you just talked a moment ago about freedom of navigation in the Gulf. There is another issue of freedom of navigation just here in North America. Ottawa is planning to buy 10 to 12 submarines from Europe to force your Navy to ask permission when you send ships in the Northwest Passage. Are we going towards a confrontation of some kind?

The President. I hope not, and I don't think so. I see a great deal of merit on Canada's concern with regard to the islands north of Canada, which throughout much, if not all, of the year many of them are connected by permanent ice connections with people living on that ice—that this is somewhat different than most of the other points in the world where there could be the same type of concern as to whether a water is international or territorial. That is the one thing we have to guard against. We have to worry about an action that could set a pattern, a precedent, that then in other parts of the world we would find—what is it,

about 16 chokepoints in the world that must be kept open if the free world, not only ourselves but others, are to be able to get the necessities of life. And someone that wanted to attack the free world—obviously their naval strategy would be to close those down. Now, if they were closed off—

Q. You seem to be saying that Canada had some legitimate claim to sovereignty for that—

The President. Yes, I think that is a different situation there. And I am hopeful that we can—and the good neighbors that we are—that we can find an answer to that and that will, at the same time, will not set a dangerous precedent with regard to other international waters.

Value of the U.S. Dollar

Q. Mr. President, I would like to ask concerning the value of the dollar. Is the United States Government planning any measures to maintain the value of the dollar, and will you make an announcement at the summit on this?

The President. Now, wait a minute, I missed out there at the first.

Q. Oh, I'm sorry. I'd like to ask regarding as—in the value of dollars—

Q. About the issue of dollars.

The President. In the what?

Q. The value of the dollar.

Q. The value of the dollar.

The President. Oh, the value—oh, now.

Q. So, is the United States Government planning any measures to maintain the value of the dollar?

The President. Well, I don't think we want any more precipitous nosediving of the dollar. We do think that there was a readjustment that was needed, that our dollar, in relation to other currencies, was overpriced. And it was making competition a little unfair in worldwide trade; we were being priced out of the market. Sometimes when we see the dollar adjust as it has, I've often wondered if we're describing it accurately or if we shouldn't be saying that other currencies that have so far been undervalued have gained some value that is more realistic worldwide.

Federal Reserve System Chairman

Q. Are you going to reappoint Mr. Volcker as the Chairman of the Federal Reserve Board?

The President. We haven't even met or discussed that as yet. I know that I'm going to be faced with that decision down the road, or perhaps he has a decision he wants to make himself. I don't know. But we just haven't made a decision. But I think that out of the economic summit also, in the whole field of macroeconomics, we will be touching on the need for some stability with regard to currencies worldwide and cure any runaway volatility.

Iran Arms and Contra Aid Controversy

Q. If I may ask you a more personal question, you have experienced the worst political crisis of your life during the last months. Your wife has been criticized by some American columnists. You lost your Chief of Staff. Did it ever occur to you during this crisis to resign? And what gave you the strength to carry on?

The President. Well, I think the strength to carry on was because there wasn't any truth, and isn't any truth, in the charges that are being leveled at me. I did not know that there was money deposited with regard to our arms purchase in accounts or that any of that money was then going to be used for the *contras*. We had sold \$12 million worth of arms. We got our \$12 million. And it wasn't until the covert operation that we were—or meetings that we were having—not with Khomeini's government. These meetings were with people who were looking forward to what might be the Government of Iran in the absence of the Khomeini and wanted to establish better relations with the United States. And this was why it had to be a covert operation. They could probably get executed for what they were doing.

But anyway, when the whole thing did leak and burst in all the press of the world, it was only then that word was brought to me that apparently someone in the go-between in the arms transaction had raised the price and there was excess money and it had been put in a Swiss bank account. Now, I still don't know who did that, how

much, where it went, who's gotten any of it; and I'm still waiting for these investigations to reveal it. So frankly, I sleep very well at night. And I know that the truth will come out. There was information that had evidently been withheld from me by some of those who are testifying. And I don't feel that I'm faced with any crisis, and, no, I never considered resigning.

National Security Leaks

Q. Mr. President, Secretary Shultz, before the House Appropriations Committee last March, was talking about the impossibility of the United States living up to any undertaking of confidentiality. He said that the result is that other countries are increasingly hesitant in dealing with us and they even hesitate to communicate with us because as soon as they put anything down, somebody will leak it. How big is the problem of leaks in the American Government, and does it affect the allies in Europe?

The President. I think it does. During these last several years, I wasn't prepared for how much leaking does go on from the White House or from—let's just say in Washington. It's not just confined to the White House. Many times, if there's something in which you have to give information to the Congress, you know you're going to read about it in the paper almost immediately. As a matter of fact, may I say something here that might sound a little critical? A great deal of the leaking is not the leaking of valid information, it is the leaking of a rumor, an unsubstantiated statement. And yet our press goes all out, including the headlines with it. Now, I recognize the right of the free press; I don't want censorship. And I know also that the press, at least in our country, has a tradition of protecting its source.

So, when I see those stories that are written with "according to a White House source"—no name. But since many times they print as fact this statement by this unnamed source, doesn't the press have a responsibility, if they want to protect their source, of at least before they go with the story checking out to see if the story is true? Would it kill them to make a telephone call and find out is this true, did you

say this, or did you do that? And it is destructive to our relationship with other countries. As I say, a number of times I've had to pick up the phone and call one of my counterparts in another country because of embarrassment caused to them by a leak. And we have done, and continue to do, everything we can to try and find out who's responsible for these leaks, and we haven't been able to determine them, to pin them down. But also sometimes, I have to wonder: Was there a leak, or isn't just the attributing of the story to an unnamed source a way of writing a story someone wants to write, particularly among columnists?

Soviet-U.S. Summit Meeting

Q. When are you meeting Mr. Gorbachev, Mr. President?

The President. We don't know. It's up to him to tell us when he can come. He has agreed; he did agree to a summit in the United States; and that invitation is still open. And I'm hopeful that, before the year is out, we'll have that meeting.

Q. Thank you very much.

Note: The interview began at 11:36 a.m. in the Oval Office at the White House. Participants included Ennio Caretto, La Stampa, Italy; Peter Pringle, the Independent, United Kingdom; Baudouin Bollaert, Le Figaro, France; Jean Francois Lisee, La Presse, Canada; Yasuhiro Tase, Nihon Keizai, Japan; and Fritz Wirth, Die Welt, Federal Republic of Germany. The interview was released by the Office of the Press Secretary on May 27.

Interview With Foreign Television Journalists Prior to the Venice Economic Summit

May 27, 1987

Venice Economic Summit

Q. Let me be, Mr. President, the first Italian to welcome you in advance to my country. I want to thank you for giving us the opportunity to hear from you your points of view on the major issues that will be discussed at the Venice summit. I am Giuseppe Lugato, from RAI-TV One, Italy. And these are my colleagues: Tim Ewart, ITN, Great Britain; Jacques Abouchar, AN-2, France; Naotake Mochida, NHK, Japan; Fritz Pleitgen, ARD, Germany; and Craig Oliver, CTV, Canada.

Sir, let me ask you frankly this: Do you feel uncomfortable in going to Europe right now, considering that, in one hand, there are great challenges for the Western World—let's consider the winds-of-trade wars and the Persian Gulf situation—and on the other hand, all the seven leaders, they have problems, too; they look a little weak. And yourself have been damaged by the Iran-*contra* affair.

The President. Well, no. I'll tell you, we keep in touch to such an extent, the seven

of us, the leaders of the seven countries represented here, and consult, and none of us go off on our own very much without keeping the others informed. So, I feel that it's a very good time. I think we have problems that can better be handled as we discuss them there. I think that the subjects will deal with macroeconomics—the things that we decided on in Japan a year ago that we were going to do about trying to make trading more fair, remove some of the obstacles, market obstacles, to see if we could not stimulate more growth in all of our countries economically, things of that kind. And of course, the East-West situation will be discussed and also the matters that we launched again in Japan—and that is our handling of terrorism and so forth. So, I'm looking forward to it.

Federal Deficit Reduction

Q. Sir, talking about the obstacles, are you ready, for example, to cut the budget deficit—that these are proof, they say, of so many problems, not only in the United

States but also abroad? And do you think that maybe the American people have to tighten their belts?

The President. Well, as far as the Government's tightening its belt—long overdue. I've been trying to bring that about ever since I've been here in our governmental system. I know some others are hard to understand—that system. There has been resistance in the Congress and from the opposition party to making some of the cuts we want to make. If I had been given the budget I asked for in 1982, for that first budget of 1982, the cumulative deficits through 1986 would be \$207 billion less than they are.

So, we're continuing to do this. And now we have a congressional bill that was passed, signed into law, the Gramm-Rudman-Hollings bill, which has a definite plan for reducing the deficits annually, until down the road, in just a few years, we will have a balanced budget. At the same time, I am still seeking a constitutional change that will then require a balanced budget every year of our government. And I agree with all the others that our deficit spending, by a government, is one of the economic problems that has an effect on everything and all our trading partners.

United Kingdom-U.S. Relations

Q. Mr. President, you'll be meeting Mrs. Thatcher when you go to Venice. She may shortly be replaced as Prime Minister of Great Britain. Will you preserve the special relationship between America and Great Britain, whoever is in power in Britain?

The President. Oh, I think the relationship between our two countries has been an almost family relationship for many years—and many different governments of the United Kingdom in the past. I don't want to seem to, in any way, try to influence the election in England, but I have to tell you that I have great admiration for the manner in which Prime Minister Thatcher has handled not only the domestic affairs but the international affairs. And beyond that I can't go, with an election coming up.

Q. But we could be quite clear on the first part of my question: that even if there was a government in the United Kingdom which embraces unilateral disarmament

and seeks the removal of U.S. nuclear bases from Great Britain, you would still maintain your special relationship with such a government?

The President. I would try with all of my might to persuade that government not to make those grievous errors. And yet, as I say, we've had a friendly relationship that has survived Labor governments in the past as well as Conservative governments there.

Persian Gulf

Q. The Iranian Ambassador to the United Nations declared 2 days ago on the American TV that should his government decide to attack oil tankers in the Gulf it would do it whatever these ships are protected by the American flag. Mr. President, don't you consider this statement as a sort of anticipated declaration of war from Iran to the United States?

The President. I doubt that Iran would ever declare war on the United States, knowing what the inevitable consequence would be. And I can only respond to that statement that was made, I'm quite sure, for domestic consumption. There are a number of flashpoints throughout the world in which the Western World—all of us, our countries here—have to take positions in the interest of world peace. The Persian Gulf is one. And I have said from the very beginning that wherever we have to put forces in those places to help maintain peace—anytime they are attacked they will retaliate, they will fire back in self-defense. And we're going to continue on in that regard.

Q. Why don't you call on French and British Governments to have in the Gulf a sort of Western task force just to assure there the freedom on navigation of the oil tankers?

The President. Well, I know that there are warships of the other nations, our allies, that are in the Arabian Sea and the Indian Ocean, and nearby. And I understand that that's been part of the conversation that Secretary of Defense Weinberger has been having with our NATO allies in Europe right now—about possible cooperation and a relationship between the military elements that we have stationed abroad.

Japan-U.S. Semiconductor Trade

Q. Well, Mr. President, about 1 month ago you said that you'd examine the new data on U.S.-Japanese semiconductor trade. What are your findings on Japanese compliance, and will you lift sanctions before the summit meeting?

The President. Well, while there seems to be some progress being made, we still have not reached what I think must be the answer, and that is a return to abiding by the agreement that both our countries had made in this regard. I hope that it'll be very soon that we will restore that agreement, and when they do, we shall immediately lift the sanctions that we've put on this.

Value of the U.S. Dollar

Q. What is your global strategy to stabilize the dollar? Is there any specific action to propose in the summit meeting to encourage a stable dollar?

The President. You mean about international trade?

Q. The dollar.

The President. Oh, the dollar.

Q. The dollar—stabilizing forces.

The President. Well, I know there's been a kind of volatile situation. It's always referred to as the dollar being overvalued and then suddenly the dollar losing value. We've had a feeling that the currencies of some other countries have been undervalued and that everyone will be better off if those currencies have come up, so that maybe it isn't all just our dollar—that they have come up.

We think and believe that the dollar is at the place that it should remain. We don't look for any further serious drops in the value of the dollar. And we also look at the summit in taking up the things that have been discussed, in the Latin American meetings that we all—or our representatives gathered: things that we started in Japan next year about review of the GATT treaty or agreement, and that we can have an opening of markets worldwide and an easier flow of trade that will benefit all of us.

Arms Control

Q. After all the discussions with the Soviets and the allies, how close are we to an

INF agreement and another summit with Gorbachev this year? And would you favor, after eliminating all the INF missiles in Europe, a so-called fire break that means no reductions of short-range nuclear weapons below the range of 300 miles?

The President. Well, we've been, again, in close consultation with the allies on this. There seems to be some pretty general agreement on the basic terms of what we're negotiating. It does begin with the long-range intermediate weapons. We're hopeful of getting rid of those in the world.

Also, there is no thought on our side of totally denuclearizing Europe at the same time that this would leave the Soviet Union with a great superiority in conventional weapons. I would like to think that, ultimately, all nuclear weapons in the world could be done away with. They're inhumane. They violate all the previous rules of warfare in that their principal targets would be the noncombatants, the civilians. And I don't think that the threat of total destruction, mutual destruction, is exactly a sensible defense program. That's why we're going forward with the SDI. We believe we're on the track of something that could maybe render such weapons obsolete. But before any of that can come about, then there must be a bringing together of the ratio of forces between the Soviet Union and ourselves.

Now, as to the first part of your question, I am hopeful that this fall we will have the summit meeting. It is up to General Secretary Gorbachev now to set the date; the invitation is there. They have agreed to come. Now it's simply a case of when will that take place. And I'm always a little superstitious about being optimistic in advance about things like the agreement on the reduction of arms, but I do believe that great progress has been made, more than in all the years since World War II, and that we have the best opportunity for beginning the reduction of nuclear weapons that we've ever had.

U.S. Credibility in Europe

Q. In connection with the arms discussions, three recent polls in my country show that for a majority of Germans Gorbachev is

more popular and credible than you are. Does it worry you that in the heart of Europe people have more faith in the Soviet leader than in the American President?

The President. Yes, and I hope they'll wake up soon. I mean no personal rebuke or derogation of Mr. Gorbachev, but I do believe that on the record of abiding by treaties, on the record of striving for peace, that the United States record is one that the people should have confidence in, more confidence than the Soviet Union, which has a wrong record of violating treaties and of using subversion in order to spread its influence throughout the rest of the world.

Now, I'm hopeful that Mr. Gorbachev, and the things he's proposed within his own country, is taking a different tack and really means to set a different course than has been set before. But I believe there's reason for us to—well, as I said to him in our last meeting, I used a Russian term, a proverb, *Dovorey no provorey*. It means "Trust, but verify."

Persian Gulf

Q. President Reagan, the revolutionary government of Iran has caused a lot of pain for your administration over the last few years.

The President. Yes.

Q. And I just wonder if you're going into the Gulf looking, positively seeking, a chance to punch them in the nose, saying as you once did to terrorists, "Go ahead, make my day."

The President. No, I have to say we're not just in there daring someone to do something. I think all of the nations that you represent have made it plain how important the Persian Gulf is. That's an international waterway. And I have said for several years, and I've had agreement with the leaders of your countries, that there's no way that we can sit back and let the Persian Gulf be closed to international trade. Now, it's far more important to Western Europe and Japan because of the percentage of oil that comes out of there for their total needs. We also get some from there, but it is a much smaller percentage from that particular area.

But what we have said is those are inter-

national waters. And can you imagine the precedent that would be set if we all stepped back and said, "Well, this barbaric country has a right to close down these international waters and bring down the economic havoc that it would on so many countries"? No. We're seeking nothing except the right of commercial trade between the nations of the gulf, those that are not embroiled in the Iran-Iraq war, and we're going to do that.

Canada's Role in the Arctic

Q. Can I ask you about another emerging strategic ocean, and that is the Arctic Ocean, where Soviet subs, as you know, are very busy these days.

The President. Yes.

Q. Is the United States ready to recognize the Canadian claim to sovereignty up there in its own interest—that is, so that the Canadians can perhaps use subs to intercept and keep track of the Soviets?

The President. We honestly want to find an answer to that. Now, on one side—that sort of holds back completely accepting the Canadian position—is the international precedent that, again, would be set if something that by definition is international water could be closed by the nearby countries. There are other chokepoints on the trade routes in the world where that could easily be invoked if the pattern was set. On the other hand, from the Canadian viewpoint, I have to say that that is unique, that area. When you look at the Canadian islands and the extent to which they dominate those waters, and know that a great many of those islands year round are connected by a solid ice cover upon which there are many people who live above those waters on that ice, that this is a little different than the other situations in the world. And we sincerely and honestly are trying to find a way that can recognize Canada's claim and yet, at the same time, cannot set that dangerous precedent that I mentioned.

Persian Gulf

Q. Mr. President, answering the question of my French colleague, Jacques Abouchar, you said that in the case the Iranians will

attack your ships you will respond.

The President. Yes.

Q. My question is, sir: How far will you go in your response? I mean, are you ready even to hit the Iranian territory if something really huge happens? I mean, are you ready to go where it needs?

The President. I don't think that's a question that I should even attempt to ask. First of all, our actions will be defensive. We will defend ourselves. Now, it is true that the Iranians have placed missiles on shore that can reach targets at sea. That has to be considered with regard to more than just shooting at another vessel or shooting at an airplane. But the reason why I don't think I should go farther is I think it's far better if the Iranians go to bed every night wondering what we might do than us telling them in advance.

Iran Arms and Contra Aid Controversy

Q. So, you've said repeatedly that you're anxious that the truth should come out in the Iran-*contra* affair.

The President. Yes.

Q. But isn't it the truth, now, that it is coming out that is actually causing so much damage? I wonder if you feel that your credibility has been damaged, perhaps as it's seen in some parts of the world, almost beyond repair now?

The President. I know the damage that's been done to my credibility, but it has not been by anything that has been proven—quite the contrary. It has been the image that has been created by our own, particularly, Washington press corps in describing what took place. Now, there are two things linking Iran and the *contras*. That linkage is the thing that the press would have had no word of it had I not gone to them and told them what we had discovered.

We had agreed to meet with some Iranian individuals who wanted to discuss possible better relations with their country in the event of a new government there, that eventually, of course, there will be a different government. And they were the ones that brought up the idea that to help them—because they were risking their lives, literally, to make such a proposal to us—and to also establish our serious purpose, that we violate our decision to not do

business with a country that supports terrorism—and Iran is one. And they asked for a kind of a token shipment of weapons to be sold to them. We agreed to this, but we have put a condition. We said we have this agreement about not supporting terrorist nations, and there is a group of terrorists called the Hizballah that at least has some kind of a philosophical arrangement with Iran. We said to these same people, "If you'll use your influence to try and free our hostages in return for us doing this thing with the weapons."

Now, it wasn't until the leak through that Beirut paper that brought all of the press of the world into the knowledge of this covert operation we had. We had to be covert to try and save the lives of the people we were dealing with. We did get a couple of hostages back; more were scheduled to come out when the news broke and that ended everything. Well, this is when we discovered that I had not been kept completely informed in what our own representatives had been doing, that the whole arrangement had really kind of degenerated into hostage dealing rather than the thing that they had proposed first about how could we form a better national relationship. And in our digging into this, we discovered that there evidently was more money paid for our weapons than we had asked and than we received, and that that money had gone somehow into some Swiss bank accounts, and then one of those accounts was apparently one used for furnishing money to the *contras* in Nicaragua.

Immediately, the day we learned this, the very next morning, I went before our leadership in Congress and subsequently before the press and told them what we had discovered. Now, I'm still waiting to find out who charged Iran that extra money. We got our \$12 million for the arms. How was that extra money put there, who got it, where did it go? That still has not been made clear. And I know no more than what I've just told you, and we were the first to bring this to the attention of the press.

Now, with regard to *contra* aid and our ongoing struggle with our Congress—which has appropriated money for aid to the freedom fighters in Nicaragua against that to-

talitarian Communist government, then the Congress changes its mind and cuts off aid to them—I, from the very first, have said the only hope we have for preventing the establishment of another Soviet base on the mainland of America is by way of the freedom fighters and then negotiating to have a democratic government there.

I made it plain, went to the public trying to arouse public opinion in this country in support of our position so that they would influence their representatives in Congress to continue providing the aid. I did that openly. I knew that there were individuals and groups in America which on their own, privately, were contributing. I didn't know who they were, and I never asked. And I never asked how they did it. And at the same time, I had expressed a belief that other democratic nations in the world—it might be to their best interest also to lend support to the freedom fighters. And other countries did. But again, I never solicited any country and asked it to do that, and I never knew who was or who wasn't, until the head of state of one of those countries told me that they were contributing and were going to increase their contribution.

Now, that is the truth. But that's not the way the image is portrayed. I'm being portrayed as having, behind the scenes, violated the law and done all sorts of shady things to try and violate the Congress' restriction on aid to the freedom fighters. And it just isn't true. Now, I hope this will be carried word for word in each of your countries, and maybe my reputation will be restored.

International Trade

Q. You have repeatedly condemned protectionism, but Europeans are not so convinced—not to mention agriculture. I'd like to give you just an example of the European plane, Airbus. Our feeling is the American side plans nothing less than to kill the project.

The President. No. What we think is

going to happen—we've already had discussions and this, too, started in our meeting in Japan, our last summit meeting. The recognition that today the world is producing more agricultural products than there is a market for, and this is brought about by almost all of us subsidizing our farmers and in, literally, subsidizing them to produce more. And not to recognize this great surplus that's being created.

There was an agreement made in Japan that we were going to, all of us, look into this problem and see if we couldn't find a solution. And I think this will be taken up at this coming summit, because there seems to be a growing agreement that we must find a way in which the marketplace sets the goal and the productivity of farming worldwide, instead of us, each of us, paying to create overproduction. And I think that we're on the way to maybe finding an agreement that will be better, not only for everybody but better for the farmers themselves.

Q. Mr. President, I have been told that our time is over. I want to thank you very much again, and I see you next time in Italy.

President's Visit to Berlin

Q. But there's still one minute, and because I know you will do it, Mr. President, let me have one question on Berlin. You will be in Berlin. What are you going to tell the Germans in East and West, and what are you going to achieve there?

The President. Well, I think I'm going to express the belief that all of us have: that there should be a reunited Germany and that that wall should come down.

Q. Thank you again, sir.

The President. All right. Thank you.

Note: The interview began at 11:30 a.m. in the Oval Office at the White House. In his remarks, the President referred to the Hizballah, a group of radical Shi'ite terrorists that operated in Lebanon.

Statement on Signing the Farm Disaster Assistance Act of 1987 *May 27, 1987*

I am today signing H.R. 1157, a bill entitled the Farm Disaster Assistance Act of 1987. This bill would establish an acreage diversion program that waives the requirement to plant at least 50 percent of a producer's 1987 permitted winter wheat acreage, where adverse weather prevented planting, in order for a farmer to receive deficiency payments with respect to 92 percent of his acreage. This same requirement would also be waived with respect to producers of 1987 crops of feed grains, wheat, upland cotton, and rice who are unable to plant their 1987 crop because of residual damage from 1986 natural disasters.

The bill would also: (1) make full payment to producers who have not been fully indemnified for losses due to natural disasters in 1986 because of the inadequacy of the \$400 million appropriated for it; (2) increase the acreage that would be taken into consideration when making prevented planting payments for the 1986 crops of soybeans, peanuts, sugar beets, and sugarcane; (3) require computation of upland cotton losses to take into account quality losses in estimating total losses required to qualify for payments with respect to the 1986 crop; and (4) require indemnification of certain producers of hay, straw, apples, and other commodities whose 1986 crop was lost due to bad weather.

In addition, a number of amendments broaden the coverage of H.R. 1157 beyond disaster provisions. These amendments include a discretionary loan program for sunflower seeds and a requirement that if marketing loan programs are not established for wheat, feed grains, and soybeans for 1987 before enactment of H.R. 1157, the Secretary of Agriculture must prepare a study of these marketing loans.

It should be clearly understood that I do not favor the enrolled bill's acreage diversion provisions even though they embrace the concept of a legislative proposal, known as the "0-92" proposal, that my administration submitted to the Congress earlier this year. Our "0-92" proposal, covering 1988-

1990 crops, would sever the link requiring a farmer to plant a crop of wheat, feed grains, upland cotton, or rice in order to receive deficiency payments. Repealing this requirement would be a major step towards reducing Federal interference in farmers' decisions regarding how much land they devote to crop production and which crops they plant. These decisions should be made by farmers, based on market forces, and not by the Federal Government. Our proposal would do that. It would also reduce the current incentives for crop overproduction, which currently are grown with the virtual certainty they will be purchased by the Federal Government under the farm price support programs. Eliminating this overproduction would save \$1.8 billion over the next 5 years. The enrolled bill's provisions are narrower in scope because they apply only to 1987 crops that could not be planted because of poor weather in 1986.

I am disappointed the Congress chose not to broaden the "0-92" provisions at this time. However, I am encouraged that during the debate on the conference report, sponsors of H.R. 1157 expressed support for expanding a "paid diversion" concept and indicated that a broadened "0-92" proposal "has a lot of ramifications for the future." I intend to pursue these expressions of support and call upon the Congress to work with members of my administration to adopt not only a broadened "0-92" program, but the other commodity program reforms we have proposed.

I am opposed to the provision of H.R. 1157 that allows quality adjustments in the determination of losses caused by natural disasters with respect to upland cotton. To date, disaster payments have always been restricted to cases of reduced yield, or actual destruction, of crops—to losses of quantity, rather than quality. The Department of Agriculture has advised me that it does not collect the data necessary to implement this sort of assistance, and that the provision therefore poses the very real risk of substantial abuse. This particular provi-

sion is limited to cotton and modest in scope; it should not serve as a precedent for future programs of similar assistance, lest we open up new opportunities for fraudulent abuse. I am also opposed to the provision that could broaden the 1986 disaster payments program. The administration will continue to encourage farmers to purchase crop insurance as the only reliable means for insuring against natural disasters. Finally, I am opposed to a new price support program for sunflowers at a time when we are trying to reduce government involvement in the agricultural sector and all data indicates chronic overcapacity in the sunflower processing area.

However, I do recognize the efforts of the bill managers to limit the scope of H.R. 1157 by preventing the addition of numerous amendments that threatened to further encumber our efforts to reduce Federal intrusion on what should be marketplace decisions. I urge the Congress to demonstrate

fiscal responsibility and restraint by defeating efforts currently underway that would tamper with the way in which advance deficiency payments are made for grain crops.

Despite my reservations, I am approving H.R. 1157 in recognition of the serious crop losses that many farmers have suffered in the past year. These setbacks, experienced by some of our farmers, call for special consideration of their problem. In doing so, I once again urge the Congress to consider carefully and act favorably on my farm reform proposals. The current farm programs have increased the annual costs to the taxpayer from \$4 billion to over \$27 billion in only 8 years, with continued Federal control over production. They have not worked. The reforms I have proposed will, over the long term, do much to improve the condition of rural America while reducing the deficit.

Note: H.R. 1157, approved May 27, was assigned Public Law No. 100-45.

Remarks at the Annual Meeting of the National Association of Manufacturers

May 28, 1987

Thank you all very much, and let me say a special thank you to your chairman, Stan Gault, and to your president, Sandy Trowbridge. It's a pleasure to be here today. This is the fifth time in my Presidency that I have addressed you, the representatives of more than 13,500 of America's manufacturers. For 92 years, the National Association of Manufacturers has spoken for the concerns of industry. Ninety-two years—you know, it's great to find something older than I am. [*Laughter*] In those 92 years, NAM has had many proud achievements, but none prouder than its role over these past 6 years in helping us get the American economy off the ropes and back into fighting trim.

Six years ago, when we came to Washington, our economy was taking a pounding. It was reeling from an economic one-two-three combination of soaring inflation,

record-high interest rates, and stagnated growth. The real income of the typical family was on a decade-long roller coaster ride towards the cellar, while taxes had rocketed towards the sky. American manufacturing had taken a particularly heavy beating. From the mid-seventies onward, productivity growth had dropped sharply. Venture capital for starting new businesses had virtually evaporated; the real value of stocks had slipped steadily down; and America had stopped investing in its future. Things got so bad that, in 1978, leaders of America's largest and most important industrial laboratories warned that even funds for research and development were drying up and we were in danger of losing our critical leadership in technology. All in all, America was facing the most alarming economic crisis since the Great Depression of the thirties.

How had it happened? How had the greatest economy in the world been brought to its knees? Well, as one prominent historian of our times has written: "The most detailed analysis of this stagnation and decline suggested the causes were mainly political." "They were," he said, "failure to control the money supply, excessive tax burdens, and government intervention and regulation." In short, the reason was big government—its rules and its spending and the taxes and monetary policies it used to finance its spending. Well, what with oil shortages and all the rest, there was even a story making the rounds at the time that had one fellow asking another, "What would happen if the Government took over the Sahara?" And the answer was, "Pretty soon, sand would be in short supply." [Laughter]

Well, this is the mess that, beginning in 1981, you helped us clean up. Where our predecessors had talked of "malaise" and how complex things were, we simply placed our faith in the American people. We cut their taxes and even put a brake on the growth in government spending—though not enough of a brake. We cut regulations as well, eliminating 40,000 pages from the Federal book of regulations. All in all, we got the tax-and-spend crowd on the run, and you know the results. Today we're in our 53d month of uninterrupted growth; that's just 5 months shy of the longest peacetime expansion in American history. In this expansion we have created over 13½ million new jobs; that's more jobs than Europe and Japan combined. We have brought interest rates to the lowest level in a decade, inflation to the lowest in a quarter of a century. Real family income has risen strongly and steadily.

Since our recovery began, there's been a new sense of looking to the future in the country, and that's reflected in our investment climate. Venture capital has once again become plentiful. We have created millions of new businesses. And the stock market, which is the source of new capital for established businesses, has more than doubled in value. Not long ago, there was a newspaper story about a German entrepreneur who has built three factories here in America and is building another. These fac-

ories make products for export to Latin America and the Far East. Explaining why he located export factories here, not Germany, he gave a simple answer: taxes. "In the United States," he said, "I have to earn \$1.8 million in order to put \$1 million in my own reserves." In Germany he had to earn not \$2 million or \$3 million, but \$4 million to do the same thing.

Well, with this kind of investment climate, America has once more become the world's technological dynamo. Every day brings headlines about new products and new advances. To cite just one area, communications technology, as one expert has said, America is "light-years ahead of everyone." Jobs, growth, and opportunity—this is what our expansion has meant to our country, and the leading indicators point to more of the same. Of course, our critics said it couldn't be done; then they said it hadn't been done. But as I've said to you a few times before, I knew our policies were working when they stopped calling them Reaganomics. [Laughter]

But there's one thing about our critics: No matter how good things are, they're always with us. They can no longer complain about the lack of jobs, not when a greater proportion of Americans have been at work this year than ever before in our history. They can no longer talk about fairness, not when we slowed the climb in the poverty rate that they began, and then put the poverty rate into the fastest fall in almost two decades. So, now they've invented new charges. They say the American middle class is disappearing, and not just the middle class—American manufacturing, as well. America is deindustrializing. Well, let's look at those charges.

Declining middle class—the truth is just the opposite. More than 60 percent of those 13½ million new jobs are in the high-paying managerial, professional, and technical occupations. And with families taking home more money each year, one authority on demographics has said, "The middle class is strong and should remain healthy."

Deindustrialization—since our recovery began, American manufacturing productivity has shot ahead at the fastest rate in 20 years. Overall our manufacturing productiv-

ity is way above that of our next closest international competitor. Manufacturing output has soared almost 30 percent. And we've added more manufacturing jobs than either Europe or Japan. As one commentator has said, talk about the decline of the middle class and related charges is "an exercise in statistical mythmaking designed to advance a political agenda."

Well, you know, when I hear all the charges that our critics shoot at us, it reminds me of a story. When you get to my age, everything reminds you of a story. [Laughter] This one is about a fellow who went into the Army. In boot camp, he spent hours on the firing range learning to shoot. When he was done with boot camp, they gave him one of those medals that says "Marksman" on it. He went home—very proud—on leave, and near the edge of town he saw somebody's homemade firing range—a wall, and on the wall lots of chalked bull's-eyes, in the middle of every bull's-eye, a bullet hole. Well, he wanted to see who could shoot like that, and finally he tracked down a 7-year-old boy. He asked the kid, "How'd you do that?" And the boy answered, "I take my gun, I line up my sights, and pull the trigger. Then I take my chalk, and I draw a circle around the hole." [Laughter] Well, that's about how "on target" the charges of our critics have been.

I said these charges were to advance a political agenda; protectionism is part of that agenda. And some here in Washington point to our trade imbalance and say that the only answer is to throw out the international rule book and get tough. I remember the last time we got tough that way, in a way they mean tough. It was called Smoot-Hawley, and it brought on, or at least deepened, worldwide, the Great Depression.

Where unfair trade practices are the problem, we have and will make full use of our trade laws, laws that conform to our international agreements. Our recent semiconductor action is an example of how effective we can be. In the past 6 years, we've used the sanctions provided for in our trade laws more extensively than any other administration. Our goal is clear: Trade must be free, and trade must be fair. But the problem isn't always abroad. Here at home, we're working to make America

more competitive. And the most important way to do that is to put a leash on runaway Federal spending. And that's why I'm here today: to ask your help in that effort, because here in Washington, the big spenders are on the hunt again. One Washington insider said recently that, "You can see the pendulum starting to swing back toward more spending." And you know what that means. If the big spenders get their way, it'll be tax time again in Washington.

Already both Houses of Congress have passed budget plans that gut defense and raise taxes. And how they could attack pay and weapons for our men in uniform who are committed to protecting freedom and democracy, it's beyond me. The leadership of the House has come up with so many ways of increasing taxes that Capitol Hill is starting to talk about the "Tax-of-the-Month Club." [Laughter] They've even suggested putting off the final year of tax reform. Well, let me say this in plain, unmistakable English: The "Tax-of-the-Month Club" is one club the American people aren't joining, and I'm not either. Congress' answer to the deficit problem is more taxes for more spending. It's time to say no to the free spenders. I will veto any legislation that raises the American people's taxes.

Now, this is not the time to give up on our battle against deficit spending—not now, just as we've begun to make progress. In the first term, we slowed the growth of spending; this year we're going even further. Because of Gramm-Rudman-Hollings, when this year is ended, the deficit will be down by about \$50 billion. Yes, this year, for the first time in 14 years, the Federal Government will spend less, after taking out inflation, than it did last year. And as a proportion of gross national product, the deficit has declined from 6.3 percent in 1983 to less than 4 percent this year. But now the word among the big spenders on Capitol Hill is, as one lobbyist said a few months ago, "It's feeding time again." The session wasn't 12 weeks old before this Congress began showing its true colors and passed two outrageous spending bills over my veto. NAM worked with us to try to stop those bills, and let me say, for all Americans, thank you.

Now, although you were behind us in those veto battles, I'm sure many of you didn't have the time to study the bills in detail, so I thought I'd give you a few samples from one of those porkers—[*laugh-ter*]-the highway bill. This year's highway bill included 152 demonstration projects; 5 years ago, had only 10. That's because, traditionally, demonstration projects are supposed to test, that is, "demonstrate" new and revolutionary methods for building and maintaining highways—period. Well, in this highway bill, Congress authorized a project that will—in the words of the highway bill—"demonstrate the effectiveness of parking facilities in relieving on-street congestion." Another project will demonstrate—to quote again—"methods of improving access to a flood memorial." The flood of projects like this is part of why I demonstrated where to park my veto pen. Override or no override, it was a bad bill.

Now, if you talk to the big spenders around town, you'll probably hear them say that the public mood has shifted, that polls show that the American people want more spending. Well, let me ask you to show them a little common sense. The American people don't want more spending; they want better results. For example, the American people care about the family farmer, and so do I. But neither they nor I want a farm program that makes farmers less able to compete in the world markets. And no one wants one that gives, as our current law does, more than \$1 million a year in farm aid to each of 144 wealthy dairy farmers as well as to the members of the royal family of a foreign country whose American farms are bigger than their entire country.

Anyone who tells you we can't cut the deficit without raising taxes and attacking defense is just not telling you the truth. Last year we got the special interests out of the tax code; now it's time to get them out of the budget. And the way to start is by changing the way Congress does business on the budget. Ever since the middle seventies, when Congress shoved the President out of the way and took over the budget process almost entirely, deficits have soared. Today Congress' budget process is in shambles, with missed deadlines and budget resolutions that mean nothing. I have agreed

to have members of my administration sit down with Congress and talk about the budget process. Congress needs a way of ensuring that it will honor budget decisions once it agrees to them—no back-door spending, no missed targets. Budget process reform is essential, but let me add, the basic problem here is that Congress is attempting to do something it was never intended to do.

Our founders intended the President to represent the broad national interest, including the interest in an overall limit on spending. That's why they gave the President the veto. But in recent years, Congress has found ways to encroach on Presidential veto power. This year, for example, the Government is being financed out of a single, gigantic, catchall resolution. My choice: sign or shut down the Government. One scholar who's looked at this and other changes has concluded that "current legislative practices have vitiated the veto, in effect, presenting the President with an offer he can't refuse without appearing to be responsible for a governmental crisis." And this scholar said, it's "hard to escape the conclusion that government can't control itself. We may be heading for a constitutional crisis."

Well, this is why I've said, over and over again, it's time to give the President what 43 Governors have, what I had when I was Governor of California: the ability to veto spending, project by project, a line-item veto. If the President abuses the veto, Congress has the power to override him. Truth is, they just don't want to have to vote on some of those pure pork items when they're out there standing alone in the open and not buried and hidden in the budget bill.

We also need a constitutional provision that 44 States have written into their own constitutions. Polls show that 70 percent of the American people support a balanced budget amendment and have for years, but we can't even get an up and down vote in Congress. The reason: The big spenders don't want a balanced budget, pure and simple.

Well, maybe it's getting time for the American people to take matters into their own hands. An amendment enters the Con-

stitution when three-fourths of the States approve it. But first, someone has to draft the specific amendment for all of them to consider. Under the Constitution, Congress can do that, or the States themselves can call a special convention to frame the common language. It takes 34 States to call such a meeting. Thirty-two have already issued a call for a meeting to draw up a balanced budget amendment. Now, I would prefer having Congress do the drafting, but one way or another, we owe it to our children to see to it that, before the decade is out, the Constitution of the United States of America includes a balanced budget amendment.

You know one of the principal goals of my last 2 years in the White House will be setting America on the road to eliminating deficit spending. In the last 6 years, we've taken America from the worst economic crisis since the Depression to one of the longest peacetime expansions, as I said, in our entire history. We have slowed inflation, produced a new era of growth and opportunity that has reached all Americans. We came into office with a plan: lower tax rates, less regulation, monetary stability, and controlled Federal spending through a constitutional amendment. We put three of the four parts into practice and got four of the best years in our history. But unless we get the big spenders in Congress under control, we could see inflation and stagnation returning. That's what the budget battle is all about: making the next 4 and 8 and 20 years as good as the last 4. Continued

growth and opportunity for a generation—that's what's at stake.

Next week I will fly to Venice for my seventh economic summit. I'll ask the leaders of the other industrial nations to stimulate their economies. We want them to buy more goods, not only from America but from throughout the world, so they can help us make prosperity worldwide. And I'll tell them that we, for our part, will finish putting our own house in order. I will tell them that I will spend this summer and fall going to cities and towns all over America. I will be asking the American people to help us keep the deficit spenders in Congress from wrecking America's economic future. This is my pledge; this is my promise. It's a fight I look forward to.

It's 40 years now since the end of the Second World War. These have been the most prosperous 40 years in the history of man. But if we can achieve the goals that I will set out in Venice, the next 40 can be even better. Here at home, I'm counting on your support in all these months ahead. America has come to a time for choosing. Will we complete the work we began 6 years ago, or will we turn back to the days of tax and spend and stagnation and decline? Help us see to it that the choice is to go forward so that the golden promise for America's future and the world's can become a reality.

Thank you, and God bless you.

Note: The President spoke at 11:25 a.m. in the Grand Ballroom at the J.W. Marriott Hotel.

Designation of Ann Barbara Wroblewski as United States Representative on the Commission on Narcotic Drugs of the United Nations Economic and Social Council

May 28, 1987

The President today announced his intention to designate Ann Barbara Wroblewski as Representative of the United States of America on the Commission on Narcotic Drugs of the Economic and Social Council of the United Nations. She would succeed

Jon R. Thomas.

Ms. Wroblewski is currently the Assistant Secretary for International Narcotics Matters at the Department of State. Prior to this, she served as Deputy Assistant Secretary for International Narcotics Matters at

the Department of State, 1985–1986; and Special Projects Director for Mrs. Reagan at the White House, 1981–1985.

Ms. Wroblewski graduated from Stephens

College (B.A., 1972). She was born April 3, 1952, in Fort Lauderdale, FL. Ms. Wroblewski is married and resides in Bethesda, MD.

Appointment of J. Willard Marriott, Jr., as a Member of the Board of Trustees of the Woodrow Wilson International Center for Scholars *May 28, 1987*

The President today announced his intention to appoint J. Willard Marriott, Jr., to be a member of the Board of Trustees of the Woodrow Wilson International Center for Scholars, Smithsonian Institution, for a term expiring October 23, 1992. He would succeed Jesse H. Oppenheimer.

Mr. Marriott is currently the chairman of the board and president of the Marriott

Corp. He has been chairman of the board since 1985, president since 1964, and chief executive officer since 1972.

Mr. Marriott graduated from the University of Utah (B.S., 1954). He served in the U.S. Navy, 1954–1956. Mr. Marriott was born March 25, 1932, in Washington, DC. He is married, has four children, and resides in Chevy Chase, MD.

Nomination of Ewen M. Wilson To Be a Member of the Board of Directors of the National Consumer Cooperative Bank *May 28, 1987*

The President today announced his intention to nominate Ewen M. Wilson, an Assistant Secretary of Agriculture (Economics) designate, to be a member of the Board of Directors of the National Consumer Cooperative Bank for a term of 3 years. He would succeed Robert L. Thompson.

Mr. Wilson is currently the Assistant Secretary for Economics designate at the Department of Agriculture. Prior to this he

served as Deputy Assistant Secretary for Economics at the Department of Agriculture, 1985–1987.

Mr. Wilson graduated from the University of London (B.S., 1965); West Virginia University (M.S., 1970); and North Carolina State University (Ph.D., 1973). He was born July 29, 1944, in Nairobi, Kenya. Mr. Wilson is married, has three children, and resides in Falls Church, VA.

Appointment of Four Members of the Dwight David Eisenhower Centennial Commission *May 28, 1987*

The President today announced his intention to appoint the following individuals to be members of the Dwight David Eisenhower Centennial Commission. These are new positions.

Susan Eisenhower, of Maryland. Ms. Eisenhower is currently executive director and founder of the Eisenhower World Affairs Institute in Washington, DC. Previously she worked at Burson-Marsteller. Ms. Eisenhower attended American University in Paris. She was born

December 21, 1951, in Fort Knox, KY. She currently resides in Bethesda, MD.

Jane S. Gosden, of California. Mrs. Gosden has been active in campaign activities since 1940. She was born April 11, 1924, in New York, NY. Mrs. Gosden has two children and resides in Beverly Hills, CA.

George A. Horkan, Jr., of Virginia. Since 1960 Mr. Horkan has been an attorney in private practice in Upperville, VA. He graduated from the University of Pennsylvania (B.A., 1943) and George Washington University (LL.M., 1948). He served in the U.S. Army during World War

II. Mr. Horkan was born June 1, 1922, in Baltimore, MD. Mr. Horkan is married, has four children, and resides in Upperville, VA.

Calvin A. Strowig, of Kansas. Mr. Strowig is currently president of the Eisenhower Foundation and director of the Kansas State Historical Society. He served five 2-year terms in the Kansas House of Representatives, 1963–1972. Mr. Strowig attended Kansas State College. He served in the U.S. Army Air Corps, 1943–1946. Mr. Strowig was born December 31, 1923, in Wabunsee County, KS. He is married, has two children, and resides in Abilene, KS.

Statement by Assistant to the President for Press Relations Fitzwater on United States Policy in the Persian Gulf

May 29, 1987

The President met today with his national security advisers to review United States Persian Gulf policy and United States plans for the protection of United States-flagged ships operating in the Gulf. The President reviewed the diplomatic efforts being made to end the Iran-Iraq war. He reaffirmed United States efforts to obtain a United Nations Security Council resolution calling for an end to the war to include mandatory sanctions. Diplomatic efforts to strengthen Operation Staunch will be intensified.

The President directed additional consultation with our allies and will be raising the issue at the summit in Venice. The President also directed his advisers to provide continued full consultation to the Congress

and to begin preparation of reports to the Congress on our proposed action. The President clearly reaffirmed United States policy to remain in the Persian Gulf to protect vital United States national interests.

The President received a detailed presentation on the military plan to protect United States flag and naval vessels and approved the plan for further development. It was clear from the presentation that United States military forces have the capability to escort United States flag vessels in the Gulf to deter potential attacks and defend themselves against threats from belligerent powers. The escorting of reflagged ships will begin when the President decides. The capability exists now.

Remarks on United States Policy in the Persian Gulf

May 29, 1987

I want to speak directly this afternoon on the vital interests of the American people, vital interests that are at stake in the Persian Gulf area. It may be easy for some, after a near record 54-month economic recovery, to forget just how critical the Persian Gulf is to our national security. But I think everyone in this room and everyone hearing my voice now can remember the

woeful impact of the Middle East oil crisis of a few years ago: the endless, demoralizing gas lines; the shortages; the rationing; the escalating energy prices; the double-digit inflation; and the enormous dislocation that shook our economy to its foundations.

This same economic dislocation invaded every part of the world, contracting foreign economies, heightening international ten-

sions, and dangerously escalating the chances of regional conflicts and wider war. The principal forces for peace in the world, the United States and other democratic nations, were perceived as gravely weakened. Our economies and our people were viewed as the captives of oil-producing regimes in the Middle East. This could happen again if Iran and the Soviet Union were able to impose their will upon the friendly Arab States of the Persian Gulf, and Iran was allowed to block the free passage of neutral shipping.

But this will not happen again, not while this President serves. I'm determined our national economy will never again be held captive, that we will not return to the days of gas lines, shortages, inflation, economic dislocation, and international humiliation. Mark this point well: The use of the vital sealanes of the Persian Gulf will not be dictated by the Iranians. These lanes will not be allowed to come under the control of the Soviet Union. The Persian Gulf will remain open to navigation by the nations of the world.

Now, I will not permit the Middle East to become a chokepoint for freedom or a tinderbox of international conflict. Freedom of navigation is not an empty cliché of international law. It is essential to the health and safety of America and the strength of our alliance. Our presence in the Persian Gulf is also essential to preventing wider conflict in the Middle East, and it's a prerequisite to helping end the brutal and violent 6½-year war between Iran and Iraq. Diplomatically, we're doing everything we can to obtain an

end to this war, and this effort will continue.

In summary then, the United States and its allies maintain a presence in the Gulf to assist in the free movement of petroleum, to reassure those of our friends and allies in the region of our commitment to their peace and welfare, to ensure that freedom of navigation and other principles of international accord are respected and observed—in short, to promote the cause of peace. Until peace is restored and there's no longer a risk to shipping in the region, particularly shipping under American protection, we must maintain an adequate presence to deter and, if necessary, to defend ourselves against any accidental attack or against any intentional attack. As Commander in Chief, it's my responsibility to make sure that we place forces in the area that are adequate to that purpose.

Our goal is to seek peace rather than provocation, but our interests and those of our friends must be preserved. We're in the gulf to protect our national interests and, together with our allies, the interests of the entire Western World. Peace is at stake; our national interest is at stake. And we will not repeat the mistakes of the past. Weakness, a lack of resolve and strength, will only encourage those who seek to use the flow of oil as a tool, a weapon, to cause the American people hardship at home, incapacitate us abroad, and promote conflict and violence throughout the Middle East and the world.

Note: The President spoke to reporters at 1:46 p.m. in the Briefing Room at the White House.

Radio Address on Drug Abuse and Trafficking May 30, 1987

My fellow Americans:

When we got to Washington 6 years ago, we set out to tackle the tough fundamental challenges to America's future. One of the toughest was drug abuse. Today I'd like to give you an update, an administrative report, if you will, on this issue. Since 1981

Federal spending on drug abuse programs has tripled; it is now nearly \$4 billion, and we've included virtually every major Federal agency and department in the effort. To consolidate our initiatives and make certain the fight against illegal drugs is a well-managed and effective undertaking, this March

I established the National Drug Policy Board. This Cabinet-level body, led by Attorney General Ed Meese and Secretary Otis Bowen, has developed a plan which will add new vigor and a more comprehensive approach to our crusade against drug abuse.

The strategy is aimed at coordinating the wide range of antidrug activities going on in our country. Education, prevention, treatment, rehabilitation, and research to reduce the demand for drugs as well as investigations, intelligence, interdiction, prosecutions, and international programs to reduce the supply of drugs to our citizens are all part of the same battle. The plan would designate a lead agency for each category of antidrug abuse authority. This means that one Federal agency will be the focal point for ensuring that all other Federal agencies are doing everything they can to stop illegal drug use. For example, the Department of Health and Human Services will lead on the treatment and rehabilitation issues, while the Department of Education will do the same for school programs. This approach is simple, straightforward, and avoids the temptation of adding another layer of bureaucracy.

Much of what we do at the Federal level is aimed at choking off the supply of illegal drugs. With the assistance of Vice President Bush, we're continuing to make tremendous progress in seizing drugs crossing our borders; with the Customs Service and the Coast Guard working more closely together, we'll seize even more. We arrest drug traffickers and send them to prison. With the Drug Enforcement Administration, FBI, and the U.S. Attorneys working more closely together, we'll be even tougher on those who traffic in drugs. But attacking the suppliers is not enough. As long as there is an illegal market for narcotics, the drug lords will find a way to meet the demand. That's why we cannot ignore the other half of our strategy. We need to keep up the pressure to prevent drug use. We want no new users, and we want those who are using drugs to stop.

We should all be concerned about the competitiveness of our national economy. Last fall I announced a broad antidrug plan

which included the goal of a drug-free workplace. At that time, I signed an Executive order requiring drug testing for selected Federal workers in critical positions. Many companies, including more than one-third of the Fortune 500, already have a testing program in place. Drug testing, when done properly, can have dramatic results. Ask anyone in the Armed Forces. Through mandatory drug testing and a well-run, antidrug campaign, we have achieved a 67-percent reduction in the use of drugs across the board by our military.

We need to achieve these kinds of results in our schools, as well. Under the National Drug Policy Board plan, Secretary Bill Bennett will continue to lead the campaign for drug-free campuses. We owe it to our kids to do our very best to protect them against this menace. And that's why part of our plan will also focus on high-risk youth, those young people with serious drug problems. Drugs pervade every part of our society, and the United States isn't the only one confronting this problem. In June we will be participating in a United Nations conference in Vienna to spur international commitment to battle illegal drugs.

Of course, well-organized and coordinated Federal action is only part of the solution. State and local governments play an indispensable role through community school boards, hometown treatment and rehabilitation programs, as well as enforcing of law. Most of all, however, we need the active involvement of the American people in developing a national attitude of intolerance to illegal drugs. Nancy was asked for advice by a young student worried about what to say when approached by drug users and dealers. She told her the answer was simple: Just say no. Together, we can deal with this threat to our families and country. We can help our loved ones and friends. We all need to speak with one voice: Say no to drugs in the school; say no to drugs in the workplace; say no to drugs in the home. Together, say yes to a drug-free America.

Until next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m.

from Camp David, MD. In his remarks, the President referred to Secretary of Health and Human Services Otis Bowen and Secretary of Education William J. Bennett.

Remarks at the American Foundation for AIDS Research Awards Dinner

May 31, 1987

The President. Dr. Silverman, Elizabeth, Don Ross, award winners, ladies and gentlemen, I hope Elizabeth won't mind, but some years ago when I was doing a television show, "General Electric Theater," part of my work required visiting the General Electric plants, 139 of them, and meeting all the employees.

And knowing better than to have a canned speech for them, I would go and suggest that they might ask questions. And every place I went, the first question was "Is Elizabeth Taylor really that pretty?" [Laughter] And being the soul of honesty, I would say, "You bet." [Applause]

But you know, fundraisers always remind me of one of my favorite but most well-worn stories. I've been telling it for years, so if you've heard it, please indulge me. A man had just been elected chairman of his community's annual charity drive. And he went over all the records, and he noticed something about one individual in town, a very wealthy man. And so, he paid a call on him, introduced himself as to what he was doing, and he said, "Our records show that you have never contributed anything to our charity." And the man said, "Well, do your records show that I also have a brother who, as the result of a disabling accident, is permanently disabled and cannot provide for himself? Do your records show that I have an invalid mother and a widowed sister with several small children and no father to support them?" And the chairman, a little abashed and embarrassed, said, "Well, no, our records don't show that." The man said, "Well, I don't give anything to them. Why should I give something to you?" [Laughter]

Well, I do want to thank each of you for giving to the fight against AIDS. And I want to thank the American Foundation for AIDS Research and our award recipients for

their contributions, as well. I'm especially pleased a member of the administration is one of tonight's recipients. Dr. [C. Everett] Koop is what every Surgeon General should be. He's an honest man, a good doctor, and an advocate for the public health. I also want to thank other doctors and researchers who aren't here tonight. Those individuals showed genuine courage in the early days of the disease when we didn't know how AIDS was spreading its death. They took personal risks for medical knowledge and for their patients' well-being, and that deserves our gratitude and recognition.

I want to talk tonight about the disease that has brought us all together. It has been talked about, and I'm going to continue. The poet W.H. Auden said that true men of action in our times are not the politicians and statesmen but the scientists. I believe that's especially true when it comes to the AIDS epidemic. Those of us in government can educate our citizens about the dangers. We can encourage safe behavior. We can test to determine how widespread the virus is. We can do any number of things. But only medical science can ever truly defeat AIDS. We've made remarkable progress, as you've heard, already. To think we didn't even know we had a disease until June of 1981, when five cases appeared in California. The AIDS virus itself was discovered in 1984. The blood test became available in 1985. A treatment drug, AZT, has been brought to market in record time, and others are coming. Work on a vaccine is now underway in many laboratories, as you've been told.

In addition to all the private and corporate research underway here at home and around the world, this fiscal year the Federal Government plans to spend \$317 million on AIDS research and \$766 million overall. Next year we intend to spend 30 percent

more on research: \$413 million out of \$1 billion overall. Spending on AIDS has been one of the fastest growing parts of the budget, and, ladies and gentlemen, it deserves to be. We're also tearing down the regulatory barriers so as to move AIDS from the pharmaceutical laboratory to the marketplace as quickly as possible. It makes no sense, and in fact it's cruel, to keep the hope of new drugs from dying patients. And I don't blame those who are out marching and protesting to get AIDS drugs released before the I's were—or the T's were crossed and the I's were dotted. I sympathize with them, and we'll supply help and hope as quickly as we can.

Science is clearly capable of breathtaking advances, but it's not capable of miracles. Because of AIDS long incubation period, it'll take years to know if a vaccine works. These tests require time, and this is a problem money cannot overcome. We will not have a vaccine on the market until the mid-to late 1990's, at best. Since we don't have a cure for the disease and we don't have a vaccine against it, the question is how do we deal with it in the meantime. How do we protect the citizens of this nation, and where do we start? For one thing, it's absolutely essential that the American people understand the nature and the extent of the AIDS problem. And it's important that Federal and State Governments do the same.

I recently announced my intention to create a national commission on AIDS because of the consequences of this disease on our society. We need some comprehensive answers. What can we do to defend Americans not infected with the virus? How can we best care for those who are ill and dying? How do we deal with a disease that may swamp our health care system? The commission will help crystallize America's best ideas on how to deal with the AIDS crisis. We know some things already: the cold statistics. But I'm not going to read you gruesome facts on how many thousands have died or most certainly will die. I'm not going to break down the numbers and categories of those we've lost, because I don't want Americans to think AIDS simply affects only certain groups. AIDS affects all of us.

What our citizens must know is this:

America faces a disease that is fatal and spreading. And this calls for urgency, not panic. It calls for compassion, not blame. And it calls for understanding, not ignorance. It's also important that America not reject those who have the disease, but care for them with dignity and kindness. Final judgment is up to God; our part is to ease the suffering and to find a cure. This is a battle against disease, not against our fellow Americans. We mustn't allow those with the AIDS virus to suffer discrimination. I agree with Secretary of Education Bennett: We must firmly oppose discrimination against those who have AIDS. We must prevent the persecution, through ignorance or malice, of our fellow citizens.

As dangerous and deadly as AIDS is, many of the fears surrounding it are unfounded. These fears are based on ignorance. I was told of a newspaper photo of a baby in a hospital crib with a sign that said, "AIDS—Do Not Touch." Fortunately, that photo was taken several years ago, and we now know there's no basis for this kind of fear. But similar incidents are still happening elsewhere in this country. I read of one man with AIDS who returned to work to find anonymous notes on his desk with such messages as, "Don't use our water fountain." I was told of a situation in Florida where 3 young brothers—ages 10, 9, and 7—were all hemophiliacs carrying the AIDS virus. The pastor asked the entire family not to come back to their church. Ladies and gentlemen, this is old-fashioned fear, and it has no place in the "home of the brave."

The Public Health Service has stated that there's no medical reason for barring a person with the virus from any routine school or work activity. There's no reason for those who carry the AIDS virus to wear a scarlet A. AIDS is not a casually contagious disease. We're still learning about how AIDS is transmitted, but experts tell us you don't get it from telephones or swimming pools or drinking fountains. You don't get it from shaking hands or sitting on a bus or anywhere else, for that matter. And most important, you don't get AIDS by donating blood. Education is critical to clearing up the fears. Education is also crucial to stop-

ping the transmission of the disease. Since we don't yet have a cure or a vaccine, the only thing that can halt the spread of AIDS right now is a change in the behavior of those Americans who are at risk.

As I've said before, the Federal role is to provide scientific, factual information. Corporations can help get the information out, so can community and religious groups, and of course so can the schools, with guidance from the parents and with the commitment, I hope, that AIDS education or any aspect of sex education will not be value-neutral. A dean of St. Paul's Cathedral in London once said: "The aim of education is the knowledge not of facts, but of values." Well, that's not too far off. Education is knowing how to adapt, to grow, to understand ourselves and the world around us. And values are how we guide ourselves through the decisions of life. How we behave sexually is one of those decisions. As Surgeon General Koop has pointed out, if children are taught their own worth, we can expect them to treat themselves and others with greater respect. And wherever you have self-respect and mutual respect, you don't have drug abuse and sexual promiscuity, which of course are the two major causes of AIDS. Nancy, too, has found from her work that self-esteem is the best defense against drug abuse.

Now, we know there will be those who will go right ahead. So, yes, after there is a moral base, then you can discuss preventives and other scientific measures. And there's another aspect of teaching values that needs to be mentioned here. As individuals, we have a moral obligation not to endanger others, and that can mean endangering others with a gun, with a car, or with a virus. If a person has reason to believe that he or she may be a carrier, that person has a moral duty to be tested for AIDS; human decency requires it. And the reason is very simple: Innocent people are being infected by this virus, and some of them are going to acquire AIDS and die.

Let me tell you a story about innocent, unknowing people. A doctor in a rural county in Kentucky treated a woman who caught the AIDS virus from her husband, who was an IV-drug user. They later got divorced, neither knowing that they were

infected. They remarried other people, and now one of them has already transmitted the disease to her new husband. Just as most individuals don't know they carry the virus, no one knows to what extent the virus has infected our entire society. AIDS is surreptitiously spreading throughout our population, and yet we have no accurate measure of its scope. It's time we knew exactly what we were facing, and that's why I support some routine testing.

I've asked the Department of Health and Human Services to determine as soon as possible the extent to which the AIDS virus has penetrated our society and to predict its future dimensions. I've also asked HHS to add the AIDS virus to the list of contagious diseases for which immigrants and aliens seeking permanent residence in the United States can be denied entry.

Audience members. Boo-oo-o!

The President. They are presently denied entry for other contagious diseases. I've asked the Department of Justice to plan for testing all Federal prisoners, as looking into ways to protect uninfected inmates and their families. In addition, I've asked for a review of other Federal responsibilities, such as veterans hospitals, to see if testing might be appropriate in those areas. This is in addition to the testing already underway in our military and foreign service.

Audience members. No! No!

The President. Now let me turn to what the States can do. Some are already at work. While recognizing the individual's choice, I encourage States to offer routine testing for those who seek marriage licenses and for those who visit sexually transmitted disease or drug abuse clinics. And I encourage States to require routine testing in State and local prisons. Not only will testing give us more information on which to make decisions, but in the case of marriage licenses, it might prevent at least some babies from being born with AIDS. And anyone who knows how viciously AIDS attacks the body cannot object to this humane consideration. I should think that everyone getting married would want to be tested.

You know, it's been said that when the night is darkest, we see the stars. And there have been some shining moments through-

out this horrible AIDS epidemic. I'm talking about all those volunteers across the country who've ministered to the sick and the helpless. For example, last year about 450 volunteers from the Shanti Project provided 130,000 hours of emotional and practical support for 87 percent of San Francisco's AIDS patients. That kind of compassion has been duplicated all over the country, and it symbolizes the best tradition of caring. And I encourage Americans to follow that example and volunteer to help their fellow citizens who have AIDS.

In closing, let me read to you something I saw in the paper that also embodies the

American spirit. It's something that a young man with AIDS recently said. He said: "While I do accept death, I think the fight for life is important, and I'm going to fight the disease with every breath I have." Ladies and gentlemen, so must we. Thank you.

Note: The President spoke at 8:16 p.m. at the Potomac Restaurant. In his opening remarks, he referred to Dr. Mervyn Silverman, president of the American Foundation for AIDS Research; Elizabeth Taylor; and Donald Ross, chairman of the board of New York Life Insurance Co.

Remarks to the Winners of the 1987 Elementary School Essay Project on the Constitution

June 1, 1987

The President. Well, welcome to the White House, and congratulations to the special representatives of the 1987 Elementary School Essay Project. It could be said that each of you boys and girls here is just about one in a million, because that's how many children entered the Elementary School Essay Project—more than a million. And the judges tell me they read countless outstanding essays, but yours, well, they just stood out just a little bit above all the rest. And that's why you're here. So again, congratulations. I know you and your parents and teachers and principals are proud, and you deserve to be.

You know, Thomas Jefferson once wrote a friend to say that our Constitution represented "unquestionably, the wisest ever yet presented to men." Well, right about here, you probably think I'm going to say there's no truth to the rumor that I was the friend he was writing the letter to. *[Laughter]* But history has certainly borne out Mr. Jefferson's judgment. Through two centuries now, our Constitution has proven a source of strength, stability, and unerring wisdom, serving longer than any other written constitution in the world. Think of that: Young as our country is, we're really, though, the oldest republic in the world. I know that,

what with some of the budget bills, Presidents have days when they think the Constitution created one branch of government too many. But seriously, the Constitution has blessed us with what I have to believe is the finest Government in history.

Of course, as President, I find that the Constitution is part of my daily life. It's the Constitution that established the Office of the President of the United States. And it's the Constitution that sets forth my responsibilities at home and abroad, the Constitution that guides my dealings with the Congress, the judiciary, and the members of my Cabinet, like Secretary Bennett.

At the same time, the Constitution plays a part in guiding each of your lives. You see, when the Founding Fathers met in Philadelphia to draft that document, they were thinking of the future. They were thinking of the kind of country they wanted to leave for their children and their children's children. They wanted their sons and daughters to grow up in a land that was safe for people of all religious faiths, a land where they would be free to speak their minds and shape their own lives, a land where all would be free.

We're all heirs to the Constitution; we're all the Constitution's children. Being the

heirs to the Constitution is our good fortune, but it also places upon us a responsibility: the responsibility to nurture and defend this country so that, when our turn comes, we, too, can pass on to our children a nation of greatness and freedom. And maybe that's the most important part of all that you've learned in studying and writing about the Constitution. You have taken the first step toward shouldering your responsibilities as citizens of our country, the country that you will one day lead.

So, congratulations to all of you once again! And to all your teachers and parents, you all look so happy and proud—don't go busting any buttons. Just God bless you all.

Secretary Bennett. Thank you very much, Mr. President. We thought, since all these children did so much homework and they represent the homework of more than a million children, we ought to give you, just very briefly, a little sample of the work. So, I'd like to call on two of the Constitution's children to read some remarks, their essays, little essays, they wrote.

First, Wanda Nichols, who's an eighth grader from North Carolina. Wanda, will you step up?

Wanda Nichols. As a young, individualistic, black citizen, this magnificent document means so much to me. The Constitution and its Bill of Rights have given me a distinct and honorable place in a democratic society. I am a respected human being, although I happen to belong to a minority. I can do what I please within the limits of the law. It has granted me rights and freedoms to pursue my human goals and aspirations. Freedom of worship has reinforced and nourished my belief in God and consideration to fellow man. Freedom of speech and of the press have given me the tools to speak out in a positive way, because I am more informed. These constitutional rights have made me a true believer in equal justice and equal opportunity.

To me, the Constitution is like a beautiful and talented lady. She is charming, but unyielding to the onslaughts of bigotry. She is rigid, but flexible. She changes her mood according to the way our society sees change. Yet I am not afraid to face changes, because she is there to guard my identity and human worth. Thank you.

Secretary Bennett. Thank you, Wanda.

Mr. President, representing the first, second, third, and fourth grades, we have Mr. Justin Swope, from the State of Maryland, a second grader.

Justin?

Justin Swope. On July 4th, 1976, our country celebrated our 200th birthday. I wasn't born until 1978, so I missed that celebration. However, on September 17th, in Philadelphia, Pennsylvania, we will celebrate the birthday of our Constitution. The Constitution is having its 200th birthday, and I want to be there.

The Constitution is important to me. It lets me go to my church. No one is allowed in my house without my permission. I can say anything I want when I get big. I even get to vote for our leaders, and maybe I'll be one. I think our country is lucky we have the Constitution. We all pay taxes to help build roads, schools, parks, courts, and we pay police, firemen, but most important, good leaders. They make the laws we must live by in America. I think the men who wrote the Constitution in 1787 were pretty smart. I'm glad we have the Constitution. I love living in America.

Secretary Bennett. Thatta boy!

The President. I know it's time to let you all get in the shade now, which you'll appreciate it. But just in closing, to all of these children here, you here in Washington, and you've seen, I'm sure, the Capitol, or are going to see, if you haven't already, and some of the great institutions and the buildings of government, but there's one thing that you all must know while you're looking at all of us: We all work for you. You're the boss. And I said in a State of the Union Address some time ago something I'm going to repeat here to all of you, because you probably weren't listening at the time. [Laughter]

As you go on in school, you're probably going to see constitutions in your studies of other countries. I've read a number of constitutions from other nations, even including the Soviet Union. And I'm surprised to find things in there that sound like ours: the right of assembly, the right to do this or that. And you think, well, they seem similar, but there is one great difference. And

the difference is so tiny that it's almost overlooked, but it is so great that it spells the difference between all those constitutions and ours. All those other constitutions are written by the government, telling the people what they can do. Our Constitution is written by the people, telling the Government what it can do. And the whole difference is the phrase in our Constitution: "We the People . . ." So, when you're look-

ing around here today, why, if you see anything that needs correcting, let us know; you're the boss.

Thank you all very much. Congratulations again.

Note: The President spoke at 11:45 a.m. in the Rose Garden at the White House. In his remarks, he referred to Secretary of Education William J. Bennett.

Remarks on Signing the New GI Bill Continuation Act *June 1, 1987*

Welcome to the White House, and we'll try to get you back in the shade shortly. I remember back in the campaign of 1980—please, sit down—back in the campaign of 1980, in a speech to the American Legion Convention, I proposed enactment of a peacetime GI bill. One of the great success stories of our time, I think, was the first GI bill passed at the end of World War II. No investment our government has ever made returned better dividends. It gave an entire generation of Americans, for the first time in history, the chance to get a college education.

In signing this bill, we're providing not only for the future of our service men and women but for America, too. Our military forces are only as good as the men and women who man them, and in this high-tech age, we need an increasingly educated and motivated military guarding our country. I've had the privilege these last few years to visit often with our military men and women, from Quantico to the demilitarized zone in Korea, and I can tell you they're among the finest bunch that this

country has ever seen. The perseverance of the crew of the *Stark* demonstrated the caliber of our boys—who accept danger manfully, who guard our nation's security with courage and competence and, not infrequently, great heroism. They are, simply, the best.

I want to pay a special tribute today to Congressman Sonny Montgomery of Mississippi. He is the chairman of the House Veterans' Affairs Committee, whose great efforts have made this day possible. Also, the members of both the House and Senate committees, who worked so diligently for the passage of this bill, and we also appreciate the support of the many veterans and military organizations represented here today. I thank you all. So many of you have worked so hard to make this day possible. And now, that's enough out of me. I'll start writing and sign the bill.

Note: The President spoke at 1:46 p.m. in the Rose Garden at the White House. H.R. 1085, approved June 1, was assigned Public Law No. 100-48.

Statement on Signing the New GI Bill Continuation Act *June 1, 1987*

I am pleased to sign into law H.R. 1085, the New GI Bill Continuation Act, which will remove the expiration date for programs of educational assistance provided under chapter 30, title 38, United States Code, and under chapter 106, title 10, United States Code. These programs are referred to as the new GI bill—active duty and the new GI bill—reserves, respectively. Additionally, this measure revises the declared “purposes” provision of chapter 30 to broaden its scope.

Our country has a proud tradition of assisting in the smooth transition of veterans from military to civilian life through educational and training assistance for over 42 years now. Since June 1944 over 18 million veterans and service personnel have received educational assistance under three prior GI bills, including 7.8 million under the World War II GI bill, almost 2.4 million under the Korean conflict GI bill, and over 8 million trainees under the post-Korean Vietnam-era GI bill scheduled to end on December 31, 1989. All of these programs operated in conjunction with the draft and afforded a readjustment opportunity for many people whose lives were involuntarily disrupted. The programs undertaken have taken place in classrooms, businesses, on farms, at schools of higher learning, and even at elementary schools. In terms of content, they range from remedial mathematics to advanced calculus and everything in between.

In October 1984 the Congress enacted Public Law 98–525 that established the new GI bill test program. This new law (as amended by Public Law 99–576) provided a program of education benefits not only for service personnel and veterans but also for reservists. It is this new GI bill that is today being made permanent and that joins an illustrious family of GI bill programs that have meant so much to millions of veterans of past wars and conflicts and to the welfare of the Nation. With the signing of this bill, it is projected that the number of reservists training under the new GI bill—reserves will peak in fiscal year 1990 at about 225,000. It is further projected that, over time, the larger program will be the new GI bill—active duty, with close to 210,000 trainees in fiscal year 1992 and even greater numbers into the mid-1990’s.

The GI bill programs have been widely acclaimed as the best investment America has ever made. These programs have promoted quality education for our nation’s veterans, providing them the opportunity to be the best that they can be. Our defense of freedom requires a willingness to sacrifice on the part of those in our Armed Forces. The provision of GI bill benefits is one substantial way for the country to express its appreciation to and support of those who serve.

Note: H.R. 1085, approved June 1, was assigned Public Law No. 100–48.

Remarks on Signing the George C. Marshall Month Proclamation *June 1, 1987*

Thank you very much, and welcome to the White House. I’d like to thank you for being here. It’s a pleasant coincidence that George C. Marshall Month, which we will proclaim today, coincides with the upcoming economic summit. I’m certain that General Marshall would approve of my taking

advantage of this opportunity to speak with you also about some of our expectations, our goals, for that important gathering.

First and foremost, today we gather to honor George C. Marshall, a gallant soldier, a visionary statesman, and an American who set a standard of honor and accom-

plishment for all who have followed. George Marshall is the only professional soldier ever to win the Nobel Prize for Peace. It was a fitting tribute. Even in time of war, Marshall was a champion of peace. During his tenure as Chief of Staff of the United States Army, a war—the greatest conflagration in human history—was won, and that victory was not a triumph of conquerors in a struggle for power and domination, but a desperate fight of free peoples for the preservation of the humane values and democratic institutions they held dear.

What made the Second World War different from all those that had preceded it was that Western civilization, by its outcome, was left in the hands of leaders like George Marshall, individuals dedicated to ideals which were not forgotten after the enemy was vanquished. It's difficult in this time of plenty to imagine the destitution, devastation, and hopelessness that pervaded Europe after the close of the Second World War. The conflict had taken the lives of millions of Europeans, many of them the young leaders who are the greatest asset of any society. Resources used to fuel the war machines were gone. Great destruction had been brought upon the face of Europe. Germany lay in almost total ruin. Throughout the rest of the continent, cities and factories were in disrepair; the whole economic infrastructure had been devastated. The monumental job of rebuilding seemed overwhelming.

It was at this time of despair when, under the leadership of wise and decent individuals like George C. Marshall, by then Secretary of State, our country stepped forward with a program Winston Churchill referred to as the "most unsordid act in history." Forty years ago June 5th, Secretary of State George Marshall gave the commencement address at Harvard University. In it he laid out a proposal for the reconstruction of Europe, the foundation for what has been the most remarkable period of peace and prosperity in the history of that continent.

In today's money, the Marshall plan was a commitment of extraordinary proportions, about \$60 billion. And with that, industry, large and small, was provided capital; harbors, canals, roads, electric systems were rebuilt; and the production lines began to roll

as Europe went back to work. The Marshall plan was an investment America made in its friends and in the future. If it had simply been a gift of resources, it would likely have been a colossal failure. The success of this greatest of undertakings, the rebuilding of a battle-scarred continent, can be traced to goals that are easily distinguished from the mere transfer of money.

First, it was designed to generate hope where there was none. George Marshall, as a soldier, well understood the role of motivation. "It is the spirit which we bring to the fight that decides the issue," he once wrote. "It is morale that wins the victory." George Marshall's speech was viewed by many Europeans as a lifeline thrown to them at a time when they were foundering. It gave them reason to work, to build, to invest. And in short order, purpose replaced aimlessness; enterprise replaced inertia.

The second and most important goal of the Marshall plan was to provide incentives for Europeans to find common ground, to bring down the political barriers which stifle economic activity and growth. Our leadership helped officials overcome local interest groups and work with other governments to beat back the pressures for protectionism and isolation; to free the flow of commerce, materials, and resources across international frontiers; to integrate transport and power systems; and to develop economic and political ties that would serve as an engine for progress.

The Marshall plan led to the creation of institutions that today are pillars of the free world's economy—the European Economic Community, the General Agreement on Tariffs and Trade, the OECD—and created the environment where the World Bank and the IMF could function. The Marshall plan was an act of generosity, but it was not a giveaway program. Instead, it was the beginning of a process of cooperation and enterprise that has carried the peoples of the Western democracies to new heights. But there was one most important achievement, too much overlooked. A reading of history reveals that in past wars, the peace settlement laid the foundation for the next war. Hatreds and enmity remained. And today we have known 40 or more years of peace,

and one-time enemies are the closest of friends and allies as a result of the Marshall plan.

With us today is an individual who, at President Truman's direction, took a central role in polling the leadership, gathering the ideas, and putting together a comprehensive overview of foreign policy strategy. This effort was the genesis of the Marshall plan. His dedication, creativity, and resourcefulness were of great service to his President and his country at that pivotal moment. And Clark Clifford, we are proud to have you with us today.

Now, in a few days, I will leave for the economic summit in Venice. It will be the 13th time the 7 major industrial democracies have so met, and the 7th time I've been privileged to represent the United States. While our country is still looked to for leadership, the free world is now undeniably a partnership among democracies, to a large degree because of initiatives we set in motion four decades ago. Today free world efforts—economic, political, and security—depend on genuine cooperation. Self-determination, as we've recognized since the time of Woodrow Wilson, is consistent with the interaction of free peoples. We sought it, and, brother, we've got it.

The Governments of Western Europe, North America, and Japan face the future together, and meetings like the economic summit build unity and sense of purpose. And that unity is increasingly important. The velocity of economic change reshaping our world is making greater demands on our governments, individually and collectively. This change flows naturally from the open economic system we've established in the West. Our peoples and countries are now operating in a global market. Instantaneous communications, multinational corporations, the flow of international investment, widespread computer technology, and the integration of financial markets are facts of life.

The progress of mankind, however, remains dependent on political as well as economic and technological momentum. Today we face challenges comparable to those that confronted struggling democracies four decades ago. We sought to achieve prosperity; now we seek to preserve it and ensure that

our standard of living continues to improve. Nothing can be taken for granted. We must be active and vigorous to be successful. And we must work together. And that is what freedom is all about, and that's why we call the portion of the planet on which we live the free world. People here are not told what we must do. We talk things over and decide what to do for ourselves. There's a story about an American and a Russian. As is often the case, the American was bragging about how in the United States everyone was free to speak. Well, the Russian replied, "In Russia we're just as free to speak. The difference is in your country you're free after you speak." [Laughter]

The greatest challenge for those of us who live in freedom is to recognize the ties of common interest that bind us, to prove wrong those cynics who would suggest that free enterprise and democracy lead to shortsighted policies and undisciplined self-interest. Today—and we can't say this too often—it is in the common interest of all of us, in every free land, to work against parochialism and protectionism, to keep markets open and commerce flowing. By definition, protecting domestic producers from competition erodes national competitiveness, slows down economic activity, and raises prices. It also threatens the stability of the entire free world trading system.

Some countries, which have taken full advantage of America's past openness, must realize that times have changed. Today any country selling heavily in the United States whose markets are not substantially open to American goods risks a backlash from the American people. No country that closes its own markets or unfairly subsidizes its exports can expect the markets of its trading partners to remain open. This point will be driven home in Venice. It was the central theme of our agreement at last year's Tokyo summit to launch the Uruguay trade round.

While the vibrancy of the U.S. economy has contributed enormously to the world expansion, preserving a growing world economy is the business of every member of the world trading community. It is the special responsibility of the larger economic powers. It will be made clear, especially to our friends in Japan and the Federal Re-

public of Germany, that growth-oriented domestic policies are needed to bolster the world trading system upon which they depend. We and our allies must always fulfill our agreements concerning exchange rate stability. Economic policy decisions made last year in Tokyo and at this year's meeting of Group of Seven finance ministers in Paris and in Washington cannot be ignored or forgotten. The commitments made at these meetings need to be translated into action. Talks continue to flow about the necessity of a coordinated attack on market-distorting agricultural policies, policies which are found in almost every Western country. The time to act is fast approaching.

One concern shared by the industrialized powers is what to do about the Third World countries which are not developing, not progressing, countries that, if something doesn't happen, will be left behind. Japan has made admirable strides in this direction by offering to share some of its wealth, some of its trade surplus, with lesser developed nations. I hope that during the course of this summit Japan will clarify what form this aid will take. I also hope that other countries will consider following Japan's good example.

However, as I noted about the European example of four decades ago, the transfer of cash alone is not the solution. If tax rates are too high, if markets are not free, if government is big, corrupt, or abusive, a country cannot expect to attract the expertise and private investment needed to advance, nor will its own people have the incentives needed to push their economy forward. After the war, German industry was little more than a shell. If Ludwig Erhard and Konrad Adenauer, courageous democratic postwar leaders of that country, had not dramatically, in one fell swoop, eliminated most of the intrusive controls on the West German economy in 1948, Marshall plan aid might not have had the miraculous impact that it did.

If we're serious about changing the plight of less fortunate nations, we must, at the very least, be candid with them about these economic realities, open their eyes to the secret of Germany's restoration and the secret of the amazing growth taking place

on the Pacific rim. That secret is a Marshall plan of ideas. It is simply that freedom of enterprise, competition, and the profit motive work. They work so well that the United States now must maneuver with economically powerful competitors, friendly competitors.

And, yes, let us admit the recognizable friction among the great democracies about trade and economic policy. Our heated debates and maneuverings and the fact they're front-page news are a healthy sign. First, during economic movement, close friends disagree, but no one should lose sight of the impressive strides taking place. Second, the attention paid to complex economic issues, which decades ago were subject matter only for specialists, suggests the wide degree of consensus our nations have reached on the vital issues of war and peace, human rights, and democracy.

Today, the unity of the West on security issues is something which George Marshall and his contemporaries would look on with a deep and abiding pride. Marshall led America through war and out of isolationism. Like protectionism, isolationism is a tempting illusion. Four decades of European peace and the greatest economic expansion in history stand as evidence that isolationism and protectionism are not the way. We must work with like-minded friends to direct the course of history, or history will be determined by others who do not share our values, and we will not escape the consequences of the decisions they make.

Nowhere is this burden heavier than in the Middle East, a region that has been plagued with turmoil and death. If we retreat from the challenge, if we sail to a distance and wait passively on the sidelines, forces hostile to the free world will eventually have their way. Two weeks ago, we lost 37 of our sons in the Persian Gulf. They were the pride and joy of their families, fine young men who volunteered to wear the uniform and serve their country. We have none better than these. They died while guarding a chokepoint of freedom, deterring aggression, and reaffirming America's willingness to protect its vital interests.

Yet the American people are aware that it is not our interests alone that are being

protected. The dependence of our allies on the flow of oil from that area is no secret. During the upcoming summit in Venice, we'll be discussing the common security interests shared by the Western democracies in the Persian Gulf. The future belongs to the brave. Free men should not cower before such challenges, and they should not expect to stand alone. And we're working together in a number of critical areas. Our friends and allies have been cooperating ever more closely to combat the scourge of terrorism. Democracies are peculiarly vulnerable to this form of international criminality, and at the upcoming Venice summit, we will give renewed impetus to the momentum which has developed in the past year.

The Western alliance, with courage and unity of purpose, has time and again thwarted threats to our prosperity and security. During the last decade, as American military spending declined, the Soviets raced ahead to gain a strategic advantage, deploying a new generation of intermediate-range missiles aimed at our European allies. This hostile maneuver, part of a long-term strategy to separate Europe from the United States, was countered by a united alliance. Pershing and cruise missiles were deployed in Western Europe, even amidst the noise and clamor of sometimes violent opposition and an intensely hostile Soviet propaganda campaign. Let no one forget, 6 years ago we offered to refrain from deploying our intermediate-range missiles if the Soviets would agree to dismantle their own. It was called the zero option. The other side refused. At that time, a vocal minority in Western countries, including the United States, suggested if we moved forward with deployment of our Pershing and cruise missiles all hope of arms control agreements would be lost.

The pessimists, however, have been proven wrong, and Western resolve is paying off. In recent months, we've witnessed considerable progress in our talks with the Soviet Government. The Kremlin now in principle accepts the zero option formula in Europe, and our negotiators are busy seeing if the details can be worked out. In short, we may be on the edge of an historic reduction of the number of nuclear

weapons threatening mankind. If this great first step is taken, if nuclear arms reduction is achieved, it'll be due to the strength and determination of allied leaders across Western Europe who refused to accept the Soviet nuclear domination of Europe. European leaders, and indeed most Europeans, have come to understand that peace comes only through strength. Strength and realism are the watchwords for real progress in dealing with our Soviet adversaries.

As we view changes which seem to be happening in the Soviet Union with cautious optimism, let it be remembered that, four decades ago, the Kremlin rejected Soviet participation in the Marshall plan. If the current Soviet leadership seeks another path, if they reject the closed, isolated, and belligerent policies they inherited, if they wish their country to be a part of the free world economy, we welcome the change. Let there be no mistake: The Soviet Government is subject to the same rules as any other. Any government which is part of our deals with the West's major economic institutions must do so with good faith, open books, and the open government on which both depend. Economic transactions are not maneuvers for political gain or international leverage; such destructive tactics are not tolerated. Countries which are part of the system are expected to do their best to strengthen the process and institutions or be condemned to economic isolation.

The Soviet Union must also understand that the price of entry into the community of prosperous and productive nations is not just an economic price. There is a political price of even greater significance: respect for and support for the values of freedom that are, in the end, the true engines of material prosperity. Time will tell if the signs emanating from the Soviet Union reflect real change or illusion. The decisions made by the Soviet leaders themselves will determine if relations will bloom or wither. Any agreement to reduce nuclear weapons, for example, must be followed by reductions in conventional forces. We are looking closely for signs that tangible changes have been made in that country's respect for human rights, and that does not mean just letting out a few of the better known dissi-

dents. We're waiting for signs of an end to their aggression in Afghanistan.

This year is also the 40th anniversary of the Truman doctrine, which fully recognized the need for economic assistance, but underscored the necessity of providing those under attack the weapons needed to defend themselves. On March 12, 1947, President Truman addressed a joint session of Congress and spelled out America's commitment. "It must be the policy of the United States to support free peoples who are resisting attempted subjugation by armed minorities or by outside pressures. I believe that we must assist free peoples to work out their own destinies in their own way." So said Harry Truman.

Nineteen forty-seven was a volatile political year for our country. I was a Democrat back then. President Truman was under attack from both sides of his own party, and the opposition controlled both Houses of Congress—and believe me, I know how frustrating that can be. Even amidst the deep political divisions so evident in 1947, the Marshall plan and Truman doctrine

were approved by Congress. In the end, it was our ability to overcome our own domestic political discord and forge a bipartisan approach that made the difference. Greece and Turkey were saved; Western Europe was put on the path to recovery; human freedom was given a chance. Democracy has its weaknesses, but its strengths will prevail.

I leave for Europe with confidence. This generation of free men and women, too, will work together and succeed. We will pass on to our children a world as filled with hope and opportunity as the one we were handed. We owe this to those who went before us, to George C. Marshall and others who shaped the world we live in. With this said, I will sign the order proclaiming George C. Marshall Month. Thank you, and God bless you.

Note: The President spoke at 3:07 p.m. in the East Room at the White House. In his remarks, he referred to the Group of Seven, the countries that participated in the annual economic summit meetings.

Proclamation 5663—George C. Marshall Month, June, 1987 *June 1, 1987*

*By the President of the United States
of America*

A Proclamation

Forty years ago this June 5, Secretary of State George Catlett Marshall, Jr., in a commencement address at Harvard University, proposed a plan for the reconstruction of war-shattered Europe. It is truly fitting that we commemorate the 40th anniversary of what became known as the Marshall Plan, because it was the foundation for the most remarkable period of peace and prosperity in history. Highly symbolic of American commitment to peace and freedom in Europe, the Plan most appropriately bore George Marshall's name. As Chief of Staff of the Army during World War II, he had been instrumental in the liberation of Europe; after peace had come, he worked

with equal vigor as Secretary of State to see Europe restored to a new level of strength and vitality.

The Marshall Plan is a proud monument in the history of our Nation, because it derives from our large and generous spirit and our commitment to the principles of interdependence, self-determination, and openness to positive cooperation. The plan succeeded beyond greatest expectations and remains an inspiration today because it demonstrates what is possible when nations lay aside differences to meet a common challenge.

We also take this opportunity to honor George C. Marshall for his lifetime of devotion to the United States of America. He led the Army during our greatest test of arms, served as Secretary of State and Secretary of Defense, and became the first profession-

al soldier to receive the Nobel Peace Prize. He will be remembered forever as the epitome of the citizen soldier.

The Congress, by Senate Joint Resolution 70, has designated the month of June as "George C. Marshall Month" and authorized and requested the President to issue a proclamation in observance of this event.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim June 1987 as George C. Marshall Month. I urge all Americans to join in observance of this month with ap-

propriate programs, ceremonies, and activities.

In Witness Whereof, I have hereunto set my hand this first day of June, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:45 a.m., June 2, 1987]

Nomination of Samuel Eldred Lupo To Be United States Ambassador to Guinea

June 1, 1987

The President today announced his intention to nominate Samuel Eldred Lupo, a career member of the Senior Foreign Service, Class of Minister-Counselor, as United States Ambassador to the Republic of Guinea. He would succeed James D. Rosenthal.

Mr. Lupo began his career as a management intern with the Veterans Administration in Washington, DC, 1961-1963. He served in the following capacities thereafter: personnel officer, 1963-1964, and computer systems analyst, 1964-1966. Mr. Lupo then joined the Foreign Service and the Department of State. From 1966 to 1968, he was assigned as personnel officer to the U.S. Embassy in Manila, Philippines, and then to the U.S. Embassy in La Paz, Bolivia, 1969-1971. From 1972 to 1973, Mr. Lupo served as Special Assistant to the Assistant Secretary of State for Administration in the

Department of State. Following this, he served as administrative officer in the following U.S. Embassies: Dublin, Ireland, 1973-1975; Lima, Peru, 1976-1977; and Brasilia, Brazil, 1977-1979. He returned to Washington in 1979 and became Executive Director of the Bureau of Inter-American Affairs where he served until 1981, when he went to Rio de Janeiro, Brazil, as consul general. Since 1985 Mr. Lupo has been Deputy Assistant Secretary of State for Personnel in the Department of State.

Mr. Lupo graduated from Los Angeles City College (A.A., 1959) and from the University of California at Los Angeles (B.A., 1961). He served in the United States Air Force from 1951 to 1955. Mr. Lupo is articulate in Spanish and Portuguese. He was born September 26, 1933, in Walnut Creek, CA. Mr. Lupo is married, has three children, and resides in Arlington, VA.

Nomination of Lester B. Korn To Be United States Representative on the United Nations Economic and Social Council, With the Rank of Ambassador

June 2, 1987

The President today announced his intention to nominate Lester B. Korn to be the

Representative of the United States of America on the Economic and Social Coun-

cil of the United Nations, with the rank of Ambassador. He would succeed Joseph Verner Reed, Jr.

Mr. Korn held various positions (part-time) while in college as a teller, bookkeeper, etc., with Bank of America in Culver City, CA, 1953–1961. He became a management consultant with Peat, Marwick, Mitchell & Co., Los Angeles, 1961–1966, to be followed as a partner with that firm, 1966–1969. Since 1969, he has been chairman, chief executive officer, and cofounder of Korn/Ferry International, Los Angeles. From 1979 to 1982, he was chairman of the Commission on Citizen Participation in

Government, State of California. He was a member of the Commission of the Californias, 1979–1982. In April of 1983, he was special adviser and delegate, UNESCO Inter-Governmental Conference on Education for International Understanding, Cooperation, and Peace. Since 1985 he has served on the President's Commission on White House Fellowships.

Mr. Korn graduated from the University of California at Los Angeles (B.S., 1959; M.B.A., 1960). He was born January 11, 1936, in New York, NY. Mr. Korn is married, has two children, and resides in Los Angeles, CA.

Nomination of Kenneth C. Rogers To Be a Member of the Nuclear Regulatory Commission

June 2, 1987

The President today announced his intention to nominate Kenneth C. Rogers to be a member of the Nuclear Regulatory Commission for the term of 5 years expiring June 30, 1992. He would succeed James Kilburn Asselstine.

Since 1972 Mr. Rogers has been the president of Stevens Institute of Technology in Hoboken, NJ. Prior to this he served as

acting provost/dean of faculty at the Stevens Institute of Technology.

Mr. Rogers graduated from St. Lawrence University (B.S., 1950) and Columbia University (M.A., 1952; Ph.D., 1956). He was born March 21, 1929, in Teaneck, NJ. Mr. Rogers is married, has three children, and resides in Hoboken, NJ.

Remarks Announcing the Nomination of Alan Greenspan To Be Chairman of the Board of Governors of the Federal Reserve System

June 2, 1987

The President. I have a statement for you: Paul Volcker has advised me of his decision not to accept a third term as a member and Chairman of the Federal Reserve Board. I accepted Mr. Volcker's decision with great reluctance and regret. He has served with distinction on the Board of Governors and has been an historic Chairman during this time of economic recovery and expansion.

Therefore, it's my intention to nominate Dr. Alan Greenspan to a 4-year term as Chairman of the Federal Reserve. Mr.

Volcker has indicated his strong support for Dr. Greenspan. And let me add, my dedication to our fight to hold down the forces of inflation remains as strong as ever. And I know that Dr. Greenspan shares that same commitment.

Now, let me explain that because of my schedule and an appointment waiting for me, I am going to leave you and these three gentlemen here—Chairman Volcker and Secretary Baker and Dr. Greenspan all

will have statements for you and take your questions.

Q. Mr. President, did you get an agreement that Dr. Greenspan won't raise interest rates during the '88 campaign?

The President. I told you, I'm not taking any questions.

Note: The President spoke to reporters at 10:01 a.m. in the Briefing Room at the White House. In his remarks, he referred to Secretary of the Treasury James A. Baker III.

Nomination of Avery C. Faulkner To Be a Member of the Advisory Council on Historic Preservation

June 2, 1987

The President today announced his intention to nominate Avery C. Faulkner to be a member of the Advisory Council on Historic Preservation for a term expiring June 10, 1991. He would succeed Clifton Caldwell.

Since 1982 Mr. Faulkner has been president of Cannon/Faulkner, and vice president of the Cannon Corp., in Washington, DC. He was a senior partner of Faulkner,

Fryer and Vanderpool, 1968–1982.

Mr. Faulkner graduated from Yale University (Bachelor of Arts, 1951; Bachelor of Architecture, 1954; and a Master of Architecture, 1955). He served in the U.S. Air Force from 1955 to 1958. Mr. Faulkner was born January 23, 1929, in Bronxville, NY. He is married, has three children, and resides in McLean, VA.

Proclamation 5664—Flag Day and National Flag Week, 1987

June 2, 1987

By the President of the United States of America

A Proclamation

Each year, for a special day and a special week during June, we take time to reflect on our flag and all it means to us. We do so in June because Old Glory was born in that month; the first distinctive American flags of the Revolution flew at the Battle of Bunker Hill in June 1775, and the Continental Congress adopted the Stars and Stripes as the flag of the United States on June 14, 1777.

Even brief reflection on the meaning of the flag fills the mind and the heart with thoughts of our land and our heritage of liberty purchased at great cost by generations of Americans. Our flag was battle-born, fashioned during the struggle that won us our independence and gave bright hope to a world long oppressed. Ever since,

America has seen its portrait in the folds and furls of our Star-Spangled Banner. We see freedom in the Red, White, and Blue, and we see too the sacrifice and the heroism of countless brave hearts. The poet Henry Holcomb Bennett had exactly this in mind many years ago when he penned the lines, "The colors before us fly; But more than the flag is passing by."

"More than the flag is passing by." Through the years, the number of stars on our flag has changed, and their arrangement has changed as well; but what the flag stands for will never change. During Flag Day and National Flag Week, let us remember with devotion that the flag we love and honor is the flag of freedom that flew in victory at Yorktown, the flag the United States Marines raised on Mount Suribachi, the flag Francis Scott Key saw by the dawn's early light.

Long may it wave.

To commemorate the adoption of our flag, the Congress, by a joint resolution approved August 3, 1949 (63 Stat. 492), designated June 14 of each year as Flag Day and requested the President to issue an annual proclamation calling for its observance and for the display of the flag of the United States on all government buildings. The Congress also requested the President, by joint resolution approved June 9, 1966 (80 Stat. 194), to issue annually a proclamation designating the week in which June 14 occurs as National Flag Week and calling upon all citizens of the United States to display the flag during that week.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate June 14, 1987, as Flag Day and the week beginning June 14 as National Flag Week, and I direct the appropriate officials of the government to display the flag of the United States on all government buildings during that week. I urge all Americans to observe Flag Day, June 14, and Flag Week by flying the Stars and

Stripes from their homes and other suitable places.

I also urge the American people to celebrate those days from Flag Day through Independence Day, set aside by the Congress as a time to honor America (89 Stat. 211), by having public gatherings and activities in which they can honor their country in an appropriate manner, especially by ceremonies in which all renew their dedication by publicly reciting the Pledge of Allegiance to the flag of the United States of America and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all.

In Witness Whereof, I have hereunto set my hand this second day of June, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 12:24 p.m., June 3, 1987]

Appointment of Two Members of the United States Holocaust Memorial Council

June 2, 1987

The President today appointed the following to be members of the United States Holocaust Memorial Council:

Barbaralee Diamonstein-Spielvogel, of New York. She will succeed Edward Sanders. Currently, Mrs. Diamonstein-Spielvogel is a writer, television interviewer, and producer. She has appeared on ABC Video Enterprises ARTS Network, CBS, NBC, WNET, Metromedia, and major stations in Boston, Washington, Philadelphia, Los Angeles, Chicago, and Miami. Mrs. Diamonstein-Spielvogel is the author of 13 books and has published numerous articles. Mrs. Diamonstein-Spielvogel graduated from New York University (Ph.D., 1963). She is married and resides in New York, NY. Mrs. Dia-

monstein-Spielvogel was born January 27, 1932, in New York, NY.

Richard M. Rosenbaum, of New York. He will succeed Terrence Des Pres. Since 1984 Mr. Rosenbaum has been counsel to the chairman of the board and director of government relations and public affairs for Integrated Resources, Inc. He is also a consultant with Nixon, Hargrave, Devans & Doyle. From 1977 to 1984, Mr. Rosenbaum was a partner with Nixon, Hargrave, Devans & Doyle. Mr. Rosenbaum graduated from Hobart College (B.A., 1952) and Cornell Law School (LL.B. and J.D., 1955). He is married, has four children, and resides in Rochester, NY. Mr. Rosenbaum was born April 8, 1931, in Oswego, NY.

Message to the Congress on Trade With Romania, Hungary, and China

June 2, 1987

To the Congress of the United States:

I hereby transmit the documents referred to in subsection 402(d)(5) of the Trade Act of 1974 with respect to a further 12-month extension of the authority to waive subsection (a) and (b) of section 402 of the Act. These documents constitute my decision to continue in effect this waiver authority for a further 12-month period.

I include as part of these documents my determination that further extension of the waiver authority will substantially promote the objectives of section 402. I also include my determination that continuation of the waivers applicable to the Hungarian People's Republic, the Socialist Republic of Romania, and the People's Republic of China will substantially promote the objectives of section 402. The attached documents also include my reasons for extension of the waiver authority; and for my determination that continuation of the waivers currently in effect for the Hungarian People's Republic, the Socialist Republic of Romania, and the People's Republic of China will substantially promote the objectives of section 402.

RONALD REAGAN

The White House,
June 2, 1987.

Report to the Congress Concerning Extension of Waiver Authority

Pursuant to subsection 402(d)(5) of the Trade Act of 1974 (hereinafter "the Act"), I have today determined that further extension of the waiver authority granted by subsection 402(c) of the Act for 12 months will substantially promote the objectives of section 402 and that continuation of the waivers currently applicable to the Hungarian People's Republic, the Socialist Republic of Romania, and the People's Republic of China will also substantially promote the objectives of section 402 of the Act. My determination is attached and is incorporated herein.

The general waiver authority conferred

by section 402 of the Act is an important means for the strengthening of mutually beneficial relations between the United States and certain countries of Eastern Europe and the People's Republic of China. The waiver authority has permitted us to conclude and maintain in force bilateral trade agreements with Hungary, Romania, and the People's Republic of China. These agreements continue to be fundamental elements in our political and economic relations with those countries, including important exchanges on emigration and human rights matters. Granting of Most Favored Nation (MFN) status gives U.S. companies the ability to compete in those markets. Moreover, continuation of the waiver authority would permit future expansion of our bilateral relations with other countries now subject to subsections 402 (a) and (b) of the Act, should circumstances permit. I believe that these considerations clearly warrant this renewal of the general waiver authority.

I continue to believe that extending the current waivers applicable to Hungary, Romania, and the People's Republic of China will substantially promote the objectives of section 402 of the Act.

Hungary. Hungary has continued to take a relatively positive and constructive approach to emigration matters. Nearly all Hungarians who are eligible to apply to emigrate for purposes of family reunification receive permission to depart. The American Embassy in Budapest issued 102 immigrant visas in 1986, almost exactly the same number as in 1985, and also processed six Hungarian citizens for travel to the United States to join relatives who are refugees. There is one pending divided family case, but a resolution is expected shortly. There are no systematic official sanctions imposed on persons who seek to emigrate.

Romania. Emigration from Romania, both overall and to the United States, has been substantial in the period of over a decade since the waiver has been in effect. All told,

more than 170,000 Romanians have emigrated to the United States, Israel, and the Federal Republic of Germany (FRG) during this period. In 1986, over 15,000 Romanians departed legally for these three countries.

The American Embassy in Bucharest issued visas or other documentation to 1,996 people in 1986 for legal departure from Romania to the United States. Although this figure reflects a decline in Romanian passport issuances to individuals qualified for U.S. admissions processing in the latter part of 1986, and a decrease from the previous year's total of 2,913, it still is substantial in human terms. The more than 900 new approvals since January and discussions with the Romanian Government suggest that steps are being taken to increase the flow to a level consistent with U.S. immigration and admissions procedures.

The various emigration lists (family reunification, marriage, and special refugee program) that we regularly submit to the Romanian Government currently contain about 3,000 names of individuals eligible for admission to the United States, and we are hopeful, based on past experience, of resolving most of these cases in the context of the MFN relationship. Ethnic German departures for the Federal Republic of Germany totaled 11,944 in 1986. Romanian Jewish arrivals in Israel numbered 1,282. Emigration to Israel has now reduced the Romanian Jewish community to under 24,000 people.

Although numerous problems remain in the emigration area, the Romanian Government's substantial implementation of new procedures for emigration from Romania to the United States, which were agreed to in 1985, has reduced material and physical hardships for the majority of people departing for the United States since the middle of 1985. The Romanian Government also has continued to honor its assurances, given in June 1983, that it would not require reimbursement of education costs as a precondition to emigration.

I share the strong concerns manifested among the public and in the Congress regarding many Romanian Government policies and practices regarding human, including religious, rights and the treatment of ethnic minorities. However, it is the MFN relationship that enables us to engage the

Romanians in a frank dialogue on these issues and work to improve conditions there.

We have been able to raise issues of concern to minorities, particularly with regard to educational and cultural opportunities. We have urged the Romanian Government to ease administrative restrictions on the "unrecognized" religious groups and to release imprisoned religious activists. Similarly, we have argued against measures that discourage construction and repair of churches and that have allowed, in a number of cases in recent years, their demolition for alleged building code violations or for urban renewal purposes.

I can report that many of the cases of high U.S. public and congressional interest have been resolved. Constantin Sfatcu and Dorel Catarama, freed earlier from prison, have now emigrated to the United States. The charges against Ilie Neamtu have been dismissed by a Romanian court. The mathematicians Radu Rosu and Silviu Teleman have been allowed to take up academic positions in this country.

The Second Baptist Church in Oradea will be spared from demolition, and we are trying to assist the congregation in gaining permission to build on a newly acquired site. The Seventh Day Adventists have been given assurances regarding a replacement site for a church and offices that were torn down last year because they were in a redevelopment zone. Although one major synagogue was demolished in 1986, important Jewish buildings in Bucharest, the Choral and Great Synagogues and the Jewish museum, have been preserved in accordance with assurances provided by the Romanian Government. We also have been successful in promoting the printing of Protestant Bibles, something that has not happened in Romania since the 1920's.

My decision to extend the waiver authority for Romania for 1987-88 has been taken after careful deliberation within the Administration. I have concluded that extension of MFN to Romania continues not only substantially to promote the objectives of the Act concerning emigration, but also to enable us to have an impact we would not have otherwise on human rights concerns

and to help to strengthen the extent of religious freedom in Romania.

Despite many problems, religious observance is active and widespread in Romania and, especially among the Protestant denominations, is growing faster than in other countries of Eastern Europe. Romania has some 8,000 functioning Orthodox churches, as well as over 4,000 of other denominations including more than 1,000 functioning Baptist churches. The extension of MFN has facilitated American citizens' access to co-religionists in Romania as well as the flow of several million dollars' worth of material assistance to them each year. In this context, I believe it important that existing U.S. access and influence be preserved.

I have instructed the Secretary of State to pursue with renewed vigor our human rights dialogue with Romania and seek further improvements, and to continue to report to me and to the Congress every 6 months concerning these matters.

People's Republic of China. China contin-

ues to have a relatively open emigration policy. The number of immigrant visas issued by our embassy and consulates in China has increased every year since the United States normalized relations with China in 1979. In Fiscal Year 1986, China posts issued 14,051 immigrant visas (13,356 in Fiscal Year 1985) and 43,858 non-immigrant visas (44,254 in Fiscal Year 1985). The minimal decrease in non-immigrant visas was probably due to the drop in the number of Chinese delegations travelling abroad for business reasons. These non-immigrant visas were issued to Chinese who wished to study, conduct business, or visit relatives in the United States. It remains true that other Western countries have also experienced increases in Chinese travel and emigration.

For the above reasons, I have determined that continuation of the waivers for Hungary, Romania, and the People's Republic of China will substantially promote the objectives of the Act.

Presidential Determination No. 87-14—Trade With Romania, Hungary, and China

June 2, 1987

Memorandum For The Secretary of State

Subject: Determination Under Subsection 402(d)(5) of the Trade Act of 1974—Continuation of Waiver Authority

Pursuant to the authority vested in me under the Trade Act of 1974 (Public Law 93-618), January 3, 1975 (88 Stat. 1978) (hereinafter "the Act"), I determine, pursuant to subsection 402(d)(5) of the Act, that the further extension of the waiver authority granted by subsection 402(c) of the Act

will substantially promote the objectives of section 402 of the Act. I further determine that the continuation of the waivers applicable to the Socialist Republic of Romania, the Hungarian People's Republic, and the People's Republic of China will substantially promote the objectives of section 402 of the Act.

This determination shall be published in the *Federal Register*.

RONALD REAGAN

White House Statement on Trade With Romania, Hungary, and China

June 2, 1987

The President is forwarding to the Congress his determination to continue most fa-

vored nation tariff status for Romania, Hungary, and the People's Republic of China.

MFN is a basic element in the development of bilateral trade relations with each of these countries and is an important aspect of our political relationships as well. The President concluded that extension of MFN status to these countries for another year, in accordance with the Jackson-Vanik amendment, would serve the economic and foreign policy interests of the United States.

The decision to continue Romania's MFN status was exceptionally difficult. The issue was addressed at the highest levels of the administration. All options were seriously considered. The President carefully weighed the strong criticisms that have been made of Romania's human rights record. He shares the concerns expressed in the Congress and by private citizens about violations of basic human rights in Romania, despite the Romanian Government's freely undertaken commitments under the Helsinki Final Act and other international instruments. He found reports concerning limitations on religious freedom and discriminatory treatment of national minorities particularly distressing. He is sympathetic to the plight of the Romanian people who endure a very harsh economic and political reality. The President also has been disappointed

by the Romanian Government's very limited response to our numerous expressions of concern.

However, after weighing all the factors, the President decided that we should continue the MFN relationship with Romania as long as it enables us to help substantial numbers of people. Over the years, MFN has stimulated increased Romanian emigration and made possible the reunification of thousands of divided families. MFN has also enabled us to have an impact on Romania's human rights practices and to help strengthen the conditions for religious observance there. We are not prepared to place at risk these benefits. They are more modest than we would like but nonetheless important in human terms.

For the President, the humanitarian considerations were most compelling in deciding to renew Romania's MFN status. He has taken the position that it is better to direct our efforts to improving conditions that arouse our concern than to abandon the principal means of influence we now have and walk away. As noted in his report to the Congress, the President has instructed Secretary Shultz to pursue our human rights dialog with Romania with renewed vigor.

Remarks on Departure for the Venice Economic Summit *June 3, 1987*

The President. Well, thank you all for coming to see us off, and a special thank you to the Marine Band for that great music. As you know, Nancy and I are leaving today for the economic summit in Venice. Many of you have helped me prepare for this meeting, and I'm most grateful. Others of you will, in the months ahead, join with me in helping to chart the course, not only for our economy but, in large measure, for the entire world's economy. Of course, I'm looking forward to continuing our common work.

But for a moment, rather than address you, the men and women who are my part-

ners in shaping our nation's policies for the future, I would like to direct my words to some very special guests, to those of you here today who are the future, you graduates of James Madison High School. The man your school was named for, James Madison, has been called the Father of our Constitution, and he was also our fourth President. And, no, I was not one of his staff or advisers. [*Laughter*] But in his first inaugural address, Madison said these simple and profound words: "It has been the true glory of the United States," he said, "to cultivate peace by observing justice." Well, this is a particularly good moment for re-

membering that wisdom.

On this trip, I will commemorate the 40th anniversary of the Marshall plan. Yes, 40 years ago the United States said that if Europe were ever to see an end to the specter of war that had haunted that great continent for over two centuries all of its people would have to know freedom, democracy, and justice. And so we extended both to allies and former enemies a helping hand, a hand of compassion, and a hand of hope. The Soviet Union declined to take part in the Marshall plan, as did the countries under its control, but to the rest of Europe, we gave help. What we know now as Western Europe was rebuilt. And today, in part as a result of the Marshall plan, those countries and the United States as well as Japan have known the longest period of general peace in this century and the greatest prosperity in the history of man.

At this economic summit, I will look around the table and see, thanks in part to the generosity and wisdom of our nation over the past 40 years, not the leaders of broken, desperate, and despotic nations but the leaders of strong and stable democracies, countries that today are our partners for peace on the world stage. Next week each leader at that table will be asking the same questions. How can we help make the next 40 years as prosperous as the last 40? How can we help our peoples live in a world of even greater opportunities in the next decade and the next century?

Well, some of the answers to these questions are clear. Our countries should move forward to end unsustainable trade imbalances, to reform agricultural policies, and restore stability to the international currency markets. The major economic powers of the world must also work to eliminate inequities in the international trade environ-

ment to keep markets open and to keep commerce flowing. Economic growth and free markets are everybody's business.

At Venice we'll talk about how to improve East-West relations. We will discuss arms reductions, human rights problems, regional conflicts, and bilateral cooperation. Our discussion in Venice will help strengthen Western solidarity, which is indispensable to progress on issues of contention between the East and West. We will also address various regional issues and other problems, such as international terrorism, where we can point to stepped-up and increasingly effective Western fronts—or efforts, I should say, especially after last year's summit in Tokyo.

Despite this long agenda, we won't find all the answers to those questions about our future at this summit—not by a long shot. In fact, many of the answers will come from where mankind's greatest energy and vision have always come: from you, from those like you throughout the world, from the hope that lives in the hearts of free people everywhere. But we will take steps; we will continue the work of, as Madison said, cultivating peace by observing justice. I'll out-talk it [referring to an airplane flying overhead]. And as I sit at that table and remember Madison's words, I will see not just the faces of those other leaders but your faces as well.

So, thanks again for coming here today, and God bless you all.

Student. Thanks for having us, sir.

The President. Thank you. Thank you very much. Well, again, thank you all. Flowers and the United States flag—we've got to do all right when we get there. Thank you all.

Note: The President spoke at 8:37 a.m. at the South Portico of the White House.

Written Responses to Questions Submitted by Deutsche Presse-Agentur of the Federal Republic of Germany

June 2, 1987

Soviet-U.S. Summit Meeting

Q. According to recent European news reports, you and Mr. Gorbachev will meet in September for a summit. Can you confirm this?

The President. No summit meeting has been scheduled. You may remember that in November 1985, when General Secretary Gorbachev and I met in Geneva, we agreed to intensify the dialog between our two countries. As part of this process of dialog, I invited the General Secretary to visit the United States. My invitation to Mr. Gorbachev remains open, and I will welcome him whenever he chooses to come.

Arms Control

Q. You have said you will consult with your European and Asian allies on arms control. What does consultation mean to you? Are you willing to give the allies "veto power" in sensitive issues or just the right to voice concerns? For example, would you be inclined to sign an arms control agreement without the alliance's consensus?

The President. We, of course, consult closely with our allies on the whole range of security issues as well as many other important questions. One topic in particular, INF, has been the subject of especially intense consultations throughout my administration. In 1979, in response to the new and unprovoked threat to our allies posed by the deployment of new triple-warhead Soviet SS-20 missiles, NATO made a decision to pursue a dual track of modernization of longer range INF nuclear forces in parallel with U.S.-Soviet arms control negotiations. U.S. positions at the INF negotiations have been developed in close collaboration with our NATO allies as well as our friends and allies in Asia, particularly Japan, and have been fully supported by them.

Recently, we also have been consulting within the alliance on the question of reduction or elimination of shorter range INF missiles. There will be no decision until the consultation process has been concluded.

Whatever decision is reached, the United States remains fully committed to effective deterrence and the NATO strategy of flexible response, which requires U.S. conventional and nuclear forces in Europe as well as U.S. strategic forces.

Berlin

Q. You will visit Berlin. Do you favor closer contacts between East and West Berlin? How do you view the initiative of West Berlin Mayor Eberhard Diepgen to invite East German head of state Erich Honecker to West Berlin? Should he be encouraged to continue that course?

The President. We favor not only close contacts between East and West Berlin but the elimination of all barriers between the two parts of this single city. In a word, we want the Berlin Wall to come down so that the reintegration of all four sectors of the city into one unit again becomes a reality. Moreover, preservation of the city's current legal status remains vital to protect the freedom of the Western sectors. Visits and exchanges which can be carried out without undermining that status are to be welcomed, but clearly caution and close consultation among the Governments of Berlin, Bonn, and the three protective powers are essential. Such consultations have worked smoothly in the past and, I'm certain, will work well in the future.

I would add that the East Germans have demonstrated provocative contempt for the status and stability of Berlin over the past year. They harassed diplomatic personnel last May by attempting to restrict their movements. They subsequently attempted to exploit CDE procedures to undermine Berlin's interests. And they declined cooperation on 750th anniversary events except when it served their narrow interests. Furthermore, brutal killings on the Berlin Wall have increased recently.

International Trade

Q. The United States is pressing her

major trading partners to stimulate their economies and is, in the case of Japan, even applying sanctions. Do you really think these nations are obligated to "bail out" the United States, as critics have put it? How do you respond to the view that the U.S. economy is not sufficiently focusing on foreign trade? Will you be able to prevent trade conflicts with the European Community, for instance over agriculture, from getting worse?

The President. Let's get the facts straight: We are not looking for a "bail out" of the United States by her trading partners. The serious imbalance we face in world trade today was caused by a number of factors. The U.S. economy has grown faster since the early eighties than other major economies. This fact combined with the excess of investment demand over savings in the United States generated large capital flows into the United States. As a result, for the last 4 years the United States has been a net importer from other countries to the tune of \$550 billion. This pattern cannot be sustained. To reverse it, all major trading countries will have to cooperate. The shifts in exchange rates since early 1985 are contributing to the adjustment of external imbalances. Japan, the largest creditor nation in history, must reduce its trade surplus by strengthening its domestic growth and importing more. The FRG, the world's largest exporter, must also do more to promote domestic demand. The United States must continue to reduce government spending. I agree that U.S. firms need to be more responsive to foreign buyers in order to take advantage of recent exchange rate movements. Most of our trade problems with Europe stem largely from mutual concerns about agricultural support programs. We, the EEC, and the major agricultural trading nations of the world have agreed to make a serious effort in the Uruguay round to reach agreement on a fundamental reform of agricultural policies. By allowing market forces to guide production and trade, we can avoid serious trade conflicts in the future.

International Terrorism

Q. The United States wanted to discuss the fight against terrorism in Venice, and

the Europeans objected. Do you feel the Europeans let you down?

The President. No, that is not true. At Tokyo there was a good discussion on terrorism, reflected in the final declaration. All summit participants agree that terrorism continues to be an important issue and that through multilateral cooperation important progress has been made in the fight against terrorism. No one should lose sight of the fact that the decline in international terrorism in Europe over the past year shows that by working together democratic governments can take effective measures against terrorists and that these policies are positively reflected in public opinion. Terrorism is on the agenda at Venice, and we welcome such discussion. There are no differences at the summit on the need to combat terrorism by continuing cooperative efforts.

Arms Control

Q. According to polls, many Europeans consider Gorbachev the politician more aggressively looking for disarmament and détente than you. Is he simply a better communicator than you, or do you accept that view?

The President. The last guest to arrive at a party usually gets the attention, and I think that is what's happening with the Soviet Union these days on arms control. I know from my meetings with Mr. Gorbachev that he is an effective spokesman for his country. And if he is eager for arms reductions and better relations with the West, all of us in the West would welcome that. But the search for peace requires more than slogans and reassuring words; it requires genuine actions and concrete proposals that deal with real problems. We in the West have always been in the forefront in this regard. Look at what we have accomplished in arms control over the past year or so.

We are very close to an agreement that would drastically reduce longer range INF missiles, hopefully even eliminate them worldwide, which is our strong preference. Both are in fact U.S. proposals, based on our consultations with the FRG and our other allies. We have made progress toward deep reductions, 50-percent cuts, in strategic nu-

clear arsenals. This is an idea that I have been advocating for almost a decade, and I'm glad the Soviets are finally accepting it.

Working with our allies in the 35-nation CDE, we concluded an agreement at Stockholm last year on measures that will improve military openness in Europe, reduce the risk of surprise attack, and increase the political cost of using military force for political intimidation. The measures agreed to

in Stockholm are based on NATO proposals. The Soviets wanted an empty, declaratory accord. We held out for something concrete that would enhance our security, and we got it.

Note: The questions and answers were released by the Office of the Press Secretary on June 4.

Written Responses to Questions Submitted by Agenzia Nazionale Stampa Associata of Italy June 2, 1987

Venice Economic Summit

Q. The Venice Economic Summit will be held at a very important time: The World economy is still growing, but there is real danger of a recession if the industrialized nations are not able to agree soon on their actions for the near future. Given differences in expectations among the seven countries, is a satisfactory agreement possible?

The President. Economic growth in the summit Seven is well into its fifth consecutive year, and future growth prospects are enhanced by relatively low inflation, moderate interest rates, and a strengthened framework for coordination of economic policies. The summit Seven agree on the basic ingredients of policies that are necessary to sustain this growth: stable, noninflationary macroeconomic policies and market-oriented microeconomic policies that tap the inherent dynamism of the private sectors of our economies. We need to intensify our efforts to promote growth through the more consistent application of such policies. In particular, I expect the Venice summit to give impetus to progress in a number of areas, including reform of agricultural and other structural policies, strengthening the world trading system, and promotion of further adjustment of trade imbalances through stronger domestic-led growth in surplus countries. We will be doing our part by continuing our efforts to further reduce government spending.

Arms Control

Q. The timing of the Venice meeting is also very important, because it takes place at a moment when it seems that the United States and the U.S.S.R. are on the verge of the first ever agreement on the reduction of nuclear arms. How close is an agreement between the United States and the U.S.S.R.? Would an agreement open a new chapter in the relationship between East and West?

The President. We made some real advances towards an INF reductions agreement last year in Reykjavik. Secretary Shultz' April meetings in Moscow further enhanced prospects for progress. Several problem areas remain, however, including verification. We are working in Geneva to see if the Soviets are willing to accept the kind of verification measures that will be needed. Of course, we have no way of knowing how long this will take. An INF missile agreement would be an historic achievement in that it would be the first time an arms control agreement actually reduced nuclear weapons. At the same time, we must be very careful to ensure that arms control enhances our security and is effectively verifiable. That is why we have consulted closely with our allies on INF and are continuing to do so.

Arms control only comprises one aspect of our relations with the Soviet Union, however. We also conduct important exchanges with the Soviets on human rights, bilateral issues, and regional affairs, and are trying to

improve our dialog in these areas, as well. We stress with the Soviets that a sustained improvement in U.S.-Soviet relations depends on progress in all four areas—human rights, arms reductions, regional affairs, and bilateral relations.

Developing Countries

Q. The Marshall plan's 40th anniversary is on June 5. The cooperation it fostered among the countries of the West was one of the most significant events in the post-World War II period. Is it possible that a similar idea, a common effort towards a goal of economic growth, could be proposed to solve the debt and other difficult economic problems of the Third World?

The President. In October 1985 Treasury Secretary Baker proposed to strengthen our existing approach to the management of the Third World's external debt and other economic problems by launching the program for sustained growth. This initiative has the goals of promoting growth-oriented macroeconomic and structural reform in the Third World countries and mobilizing international support for such reforms. We have already seen substantial progress under this approach.

In some respects, the Marshall plan never ended. Many of the summit nations are providing coordinated assistance to Third World countries through the international institutions, such as the World Bank and the IMF. The difference, of course, is that the original beneficiaries of the Marshall plan are world economic powers in their own rights and must assume the responsibilities commensurate with that role, including the continued assistance to developing nations. However, providing significant amounts of assistance in the absence of comprehensive economic reform policies could well prove to be to the long-term detriment of the countries involved. Money alone will not set the stage for sustainable and balanced growth and in fact could weaken the incentive to pursue sound policies designed to remove impediments to growth.

Italy's Role in the Western Alliance

Q. In the past few months Italy, with its expanding economy, has fulfilled its responsibilities in many economic multilateral

groups and institutions as well as in the international financial markets. Italy has also taken part in the current discussions about disarmament and its potential consequences for Europe. How do you see Italy's role, both economic and political, among the countries of the industrialized world?

The President. Italy is among our closest and most trusted friends. We work together in many fora on issues confronting the alliance, such as East-West arms control, terrorism, and drug control. In recent years, Italy has carried out an increasing international role, participating in the UNIFIL in Lebanon and in the MFO in the Sinai. A growing economic power, Italy also is a member of the Group of Seven industrialized nations which meet annually to discuss important economic and political issues and will host the summit this year in Venice. Certainly, the sustained growth of the Italian economy has contributed to promoting a growth-oriented reduction of extended imbalances. We look forward to continued collaboration with the Italians on a broad range of economic and political issues.

Participation in Economic Summits

Q. Do the "Seven" plan to discuss in Venice the possibility of increasing the number of participating countries?

The President. There is nothing magic about the number seven; it has increased since our first meeting. But this will not be on our agenda for Venice.

Meeting With Pope John Paul II

Q. On Saturday, June 6th, you will have an audience with Pope John Paul II at the Vatican. Does this meeting have special significance, given the fact that the United States only recently reestablished diplomatic relations with the Holy See and the fact that the Pope plans to visit the United States this summer?

The President. I have met before with Pope John Paul II, both in Rome and in the United States. The Holy Father is a man of peace whose words for a more just society inspire all. Our meetings have always been very warm and very useful. The present meeting is a continuation of talks we have had on a broad range of world issues.

Note: The questions and answers were released by the Office of the Press Secretary on June 4.

Statement on Proposed Soviet-United States Intermediate-Range Nuclear Force Reductions

June 4, 1987

I welcome the statement today by the Government of the Federal Republic of Germany to the Bundestag supporting deep reductions in an entire class of nuclear weapons. This decision sets the stage for establishing a common NATO position at the coming foreign ministers meeting in Reyjavik.

The position which our country takes with the Soviet Union on SRINF affects both the security of the NATO alliance and the entire West. I am confident that based on discussions within NATO and those that will occur here in Venice, a foundation will be laid for equal and verifiable global constraints on United States and Soviet SRINF missiles in the near future. Once that is established, I will instruct our negotiators in Geneva to incorporate this into the United States position.

NATO actions on INF represent a major success story. The alliance has been resolute in responding to the deadly new threat to

the West sparked by the Soviet deployment of new triple-warhead SS-20 missiles targeted against our allies. NATO has steadfastly implemented its 1979 double-track decision which countered this threat. It is the fact that NATO was willing to deploy its own INF missiles, while simultaneously seeking a balanced and verifiable arms reduction agreement, that brought the Soviets back to the negotiating table in 1985 and gave us the opportunity to achieve—for the first time in history—deep reductions in, and possibly the elimination of, an entire class of nuclear weapons.

Our actions on INF have always been characterized by close consultations with our friends and allies in both Europe and Asia. Chancellor Kohl's announcement today should be seen in that context. I commend the Chancellor on the leadership he has shown on this issue. I am determined to continue working closely with our allies on these issues and to sustain the strength of our alliance.

Nomination of T. Allan McArtor To Be Administrator of the Federal Aviation Administration

June 5, 1987

The President today announced his intention to nominate T. Allan McArtor to be Administrator of the Federal Aviation Administration, Department of Transportation. He would succeed Donald D. Engen.

Since 1979 Mr. McArtor has been senior vice president of the telecommunications division of the Federal Express Corp. in Memphis TN. Prior to this he was a partner

and director of Delta International, Inc., 1974-1979.

Mr. McArtor graduated from the U.S. Air Force Academy (B.S., 1964) and Arizona State University (M.S., 1971). He served in the U.S. Air Force, 1960-1974. Mr. McArtor was born July 3, 1942, in St. Louis, MO. He is married, has two children, and resides in Memphis, TN.

Address to Western Europe From the Venice Economic Summit *June 5, 1987*

Good afternoon. I am speaking to you today from Venice, Italy, over the satellite channels of WORLDNET. I have come here to meet with the leaders of Japan, France, Canada, Italy, the United Kingdom, and the Federal Republic of Germany for the 13th economic summit. Our task: to determine what we must do as a community to prepare for the challenge of a new century. Our sights are on the future, and that is why, in these next few minutes, I would like to address my remarks especially to the young people of Europe. As someone whose life has spanned most of this century, permit me to offer some observations about the next, about a future of expanding hope and possibility where dreams can come alive if only we have the courage to pursue them.

Not so long ago, in the last decade, it was fashionable to talk about the age of limits. The world, we were told, was running out of resources, winding down, growing poorer. It was a time of diminishing expectations, when people would simply have to learn to make do with less. The West in those years experienced what can only be described as a crisis of confidence in our fundamental values. We increasingly heard talk about the so-called convergence of the free world and the Communist bloc. Some said our freedoms were a luxury we could no longer afford. Faced with the rigid necessities of a shrinking world, the free nations would have to sacrifice more and more of their economic and political freedoms and accept increasing government control.

I want to talk to you today about how and why the opposite happened, how the "age of limits" was swept away by a resurgence of political and economic freedom, how our economies are entering a new era in which they are transcending the limits of physical resources. Now, or how, I should say, instead of "convergence," the contrast between the free and the unfree has become ever sharper, while the totalitarian states have come to talk of "openness" and liber-

alization, recognizing that, if only as a matter of survival, they must allow some freedom into their societies. And I want to talk to you today about how this divergence between democratic and totalitarian nations can only increase if the totalitarians don't reform, how the only course for the world as we approach the 21st century is to choose freedom and free societies that liberate mankind's full human potential.

The world and its economy are in the midst of a profound transformation. Sometimes that change is so rapid it's hard to keep track, but let me offer just a few examples from the technological revolution, examples that will serve as a kind of measuring rod of how far we've come and a kind of pointer showing us where we are heading. Recently, the headlines have been full of a term called "superconductivity," as papers struggle to keep up with the seemingly daily breakthroughs in the lab. Only half a year ago, superconductivity was considered a scientific backwater, a phenomenon with little practical purpose; now scientists are saying it may change our lives. "It shows all the dreams we have had can come true," said one theorist. "The sky is the limit."

Scientists talk of high-speed trains that will float above their tracks. Automobile companies are already planning for electric cars. Some think that solar energy may become competitive. Anything that uses electricity—motors, generators, wires, magnets—could suddenly become astonishingly more efficient. That means diminishing dependence on foreign oil, less pollution, and a cleaner environment. It will be like a shot of adrenaline in the world economy, spurring growth and job creation and improving the quality of life for all. Superconductivity will accelerate another revolution: the daily revolution that is taking place in the computer industry. One recent advance is the speciality semiconductor chip. On specific tasks, a handful of these chips, costing about \$2 apiece, may outperform yesterday's multimillion dollar supercomputers. One scien-

tist makes this comparison: If automotive technology had progressed as fast as semiconductor technology has in the past 20 years, he says a Rolls Royce would now cost less than \$3, get 3 million miles to the gallon, deliver enough power to drive an ocean liner; and six of them would fit on the head of a pin.

Now, this is more than simply a productivity explosion. Operating in the mysterious world of quantum physics, today's computers signal a quantum leap in the world's economy. We are moving from the economy of the Industrial Revolution, an economy feeding on and tied to the Earth's physical and natural resources, to, as one economist titled his book, "The Economy in Mind," where human imagination, creativity, and courage are the most precious commodities. Think of that little computer chip. Those chips are the driving force of the modern economy, but they are made from the silicon in sand, one of the most common substances on Earth. Their value doesn't come from the material that makes them up but from the microscopic architecture designed into them by ingenious human minds. Or take this WORLDNET telecast, which is transmitted by a satellite hookup. That satellite, the product of human invention, replaces thousands of tons of copper dug from the earth and molded into wire. We're moving from an age of things to an age of thoughts, of mind over matter. It is the mind of man, free to invent, free to experiment, free to dream, that will shape the economy and the world of the future.

Now, this is bad news for statism. The centrally planned state can dig metals out of the ground or pump oil. Though less productively than a free economy, it can run huge factories and assembly lines. But it cannot fabricate the spirit of enterprise. It cannot imitate the trial and error of free markets, the riot of experiment that produces knowledge and progress. No government can manufacture the entrepreneur, or light that spark of invention; all they can do is let their people go, give them freedom of mind and spirit.

Some believe that government planning is more efficient, so they rely on tax breaks and other subsidies to those businesses that already exist. But that never works. In

America it's estimated that some 70 percent of the nearly 14 million new jobs that we've created have come from new, small, and growing firms. One of the most successful computer firms in America was started by two college students in the garage behind their house. The most fertile and rapidly growing sector of any economy is that part that exists right now only as a dream in someone's head or an inspiration in his heart. No one can ever predict where the change will come from or foresee the industries of the future. No government would have ever targeted those two young men working through the night making dreams come true in their garage.

So, as we hold the economic summit in Venice this year, we see around us a world economy that is in rapid transformation, and it is a transformation that demands freedom. What can governments do? What our summit partners have begun to do: starting with policies that promote opportunity and economic growth—low tax rates, privatization, and deregulation. They must also move to dismantle trade-distorting subsidies and labor laws that promote unemployment.

Also high on our agenda in Venice will be ways in which we can improve cooperation between our nations. Agricultural subsidies, for instance, have been some of the worst culprits behind our growing trade frictions. Let's jointly diffuse this expensive farms race by setting a goal of a subsidy-free world for the year 2000. Meanwhile, we must make good our commitment to reduce instability in exchange rates and promote economic growth. The economy is slowing in Germany, and that slows growth across Western Europe. It is essential that Germany follow up on its commitment to revive its sluggish economy. Japan, too, could help right the imbalance in the world economy by righting the imbalance in its own economy. It's time for Japan to let free the pent-up consumer demand in their nation, allow the Japanese people to enjoy more of the benefits of the remarkable economy they have worked so hard to build. I know Prime Minister Nakasone recognizes this and has recently submitted a program for action to the Japanese Diet. The Japanese promise to

extend more than \$20 billion in financial support to the developing world to ease their enormous debt burden is also a positive step.

Regarding the U.S. budget deficit, we've made real progress, but we must do more. In the months ahead, I will be going directly to the American people, just like on tax reform. I'm going to say we've got the special interests out of our tax code, it's time to get them out of the budget. It's time to demand real budget reform.

Last but not least, all nations must resist calls for protectionism. So-called protectionism is like the evil of drugs: It will end up destroying all those who use it. And that's why I call it destructionism, because all it does is slow growth, wipe out jobs, and close the door on progress.

But as we approach the beginning of a new century, the problems that confront us are far outweighed by the possibilities. We look around the world, and we see freedom is rising. As free markets energize Asia, free elections spread across Central and South America. In Africa many leaders have agreed that freedom is the key to development. In China reform means the first taste of freedom for over 1 billion people.

Still, we cannot forget that there is an implacable reality that today stands against this freedom tide. Next week I'll be addressing the people of West Berlin. I will stand in front of the wall that runs like an open wound through the heart of Europe, the wall that represents all that is most hostile to our democratic values of freedom and human rights. A regime that so fears its own people it must imprison them behind a wall is a regime that will always be a source of tension in Europe. It will always be at odds with free people everywhere.

As it happens, this day, June 5th, marks the 40th anniversary of the inauguration of the Marshall plan. Those were days of great generosity and courage, when the countries of Europe rose from the ashes of war, put away their centuries-old animosities, and together with America built a new age of freedom and prosperity. In the spirit of the time, America offered the benefits of the Marshall plan to all the nations of Europe, East and West, including the Soviet Union. The ground rules were simple: openness

and good faith. All countries had to open their books, and no country would be allowed to manipulate the plan for political profit. Some nations under Soviet control hoped to join the plan, but Stalin ordered their representatives home. The Soviets would not let them open their books, or their countries, to the fresh air of freedom and enterprise.

We've heard a lot lately about the Soviet desire to participate in the world economy, to no longer be the odd man out. Well, the ground rules remain the same as they were 40 years ago. No playing the spoiler. No manipulation of world organizations for political gain. Open your economy. Open your political system. Open your borders. Let your people go. Let them travel where they wish, live where they want to. Let them bathe in the light of freedom. And one thing further: Leave your weapons at home. Quit Afghanistan; you have no business there. Dismantle your weapons pointed at Europe. Then we will gladly welcome you as a constructive partner in our 21st-century enterprise.

When I last participated in an economic summit in Europe, there were many young people who came out to demonstrate. They wanted an end to nuclear weapons, they said. How I wanted to let them know that my heart was with them, that I, too, yearned for a day when mankind could live free of the terror of nuclear annihilation. But the task wasn't as easy as simply signing a treaty. The wall that divides Europe, put up in violation of Soviet promises and every human decency, showed us that much. We could not stake our freedom and our lives on such flimsy security. A treaty, in order to be worth anything at all, must be verified with on-site inspections. It must dramatically reduce the total number of weapons on both sides rather than simply codify a build-up, as treaties so often have in the past. Most important, it can't leave either side outmatched and vulnerable.

Well, our persistence and steadfastness could now pay off in an agreement very much in our interest and on our terms. We're not there yet, of course; some hard questions remain. But the prospects are good. It's important to emphasize: The INF

treaty we are now negotiating will not be the end but the beginning of the arms reduction effort. Our top priority remains deep, equitable, and verifiable reductions in intercontinental nuclear arms. And as long as the Soviet Union stockpiles chemical weapons and maintains massive conventional forces poised in attack positions on its own territory and in Eastern Europe, the free nations of Europe must remain strong and ready. Indeed, given the Soviet superiority in these forces, we must improve our conventional defense capabilities, difficult and expensive as that might be. The United States will not waver in our commitment to the defense of Europe. We will sustain the credibility of NATO's doctrine of flexible response, which has served us well and remains the center of alliance strategy.

At the same time, our ultimate goal remains not just to reduce and confine nuclear weapons but to make them forever obsolete, to construct a high-tech defense that will destroy nuclear weapons before they can destroy people. The technological breakthroughs I mentioned earlier, superconductivity and supercomputers on a chip, could both speed along that day when man will no longer have to fear terror in the skies, when we can breathe free, confident, secure, and peaceful.

If I can leave the young people of Europe with one message it is this: History is on the side of the free. Hope and an unshakable belief in our basic values of freedom and human rights—these are the only guides we need as we travel into not only the 21st century but the third millennium. The crisis of confidence in the West a decade ago has been replaced by strength and assurance. Now it is the East which talks of openness,

of *glasnost*. We hope that the first few tokens of change in the Soviet Union signal a real desire to open up that closed society.

The choice is theirs: They can either participate in the advance of history or fall farther and farther behind into economic irrelevance. We can look forward to the day when technology may eliminate the threat of mutual nuclear terror, when simply amassing huge stockpiles of nuclear weapons does not make a nation a superpower. Then the Soviet Union will appear as it truly is: a country that has sacrificed individual liberty for an antiquated 19th century materialist philosophy and an unworkable economic system, an example to the world of how not to run a country. The contrast between totalitarianism and freedom will grow ever more stark.

Today as we celebrate the 40th anniversary of the Marshall plan, we can be proud of what we together have created: a new age of freedom, a new age of hope and prosperity unrivaled in human history, a model to all the world of what free men can accomplish. It is a different world today from 40 years ago. The younger generations of Europe, those of you born since the war, have not had to suffer the destruction and heartache of your parents' time. But your challenge is no less great; it is nothing less than to embrace the promise of the future and to extend the lessons of our freedom to a waiting world.

Thank you all, and God bless you.

Note: The President spoke at 11:05 a.m. from the Villa Condulmer in Mogliano, Italy. The address was broadcast by the U.S. Information Agency on WORLDNET television.

Remarks Following Discussions With Pope John Paul II in Vatican City

June 6, 1987

Your Holiness, I am truly grateful for the opportunity to visit with you again in this place of peace. You've always said that the power of love for our fellow man is stronger

than the evils that befall mankind—or humankind. And one feels the power of that strong moral force here in this holy city of Saint Peter, just as we see it in your coura-

geous and compassionate leadership.

Your Holiness, on my last visit here, I urged you to carry your ministry to the Southern and Western sections of the United States, and you graciously agreed, and I know that all America looks forward to your arrival in September. You will find in our country a deeply religious people, a people devoted to the same ideals and values you so eloquently champion: a striving for peace and justice, human rights, and above all, our duty as fellow creatures of God to love one another.

Not long ago, Your Holiness, you visited Canada where you spoke passionately of the moral obligation of the wealthier nations to share with those less fortunate. Recently, I also traveled to Canada and said it's time that we take up that challenge, to share our prosperity with the underdeveloped nations, with generous aid, yes, but also in the most effective way we know: by sharing the conditions that promote prosperity. You have spoken eloquently of "the moral causes of prosperity," among them hard work, honesty, initiative, thrift, spirit of service, and daring. In many countries today, we see economic revolutions founded on this basic tenet: that the sources of prosperity are moral ones, that the spirit and imagination of man freed of statist shackles is a revolutionary force for growth and human betterment.

In your travels, you've inspired millions, people of all races and all faiths, who have felt the intensity of your desire for peace and brotherhood among men. As you embark on a pastoral visit to the land of your birth, Poland, be assured that the hearts of the American people are with you. Our prayers will go with you in profound hope that soon the hand of God will lighten the terrible burden of brave people everywhere who yearn for freedom, even as all men and women yearn for the freedom that God gave us all when he gave us a free will. We see the power of the spiritual force in that troubled land, uniting a people in hope, just as we see the powerful stirrings to the East of a belief that will not die despite generations of oppression. Perhaps it's not too much to hope that true change will come to all countries that now deny or hinder the freedom to worship God. And

perhaps we'll see that change comes through the reemergence of faith, through the irresistible power of a religious renewal. For despite all the attempts to extinguish it, the people's faith burns with a passionate heat; once allowed to breathe free, that faith will burn so brightly it will light the world.

Your Holiness, when I last visited you, our representative in Vatican City was a personal envoy. Now, I'm happy to say, America is represented here by a full-fledged diplomatic mission at the ambassadorial level. The consequence of our efforts deserves nothing less, for we join with the Holy See in our concern for a world of peace, where armaments are reduced and human rights respected, a world of justice and hope, where each of God's creatures has the means and opportunity to develop to his or her full potential. Your Holiness, I'm reminded of the passage from the Bible of Saint Peter walking out on the water after Christ. We know that as long as he kept his eyes on our Savior, as long as his faith was strong, he was held up, but as soon as his faith faltered, he began to sink. Your Holiness, with gentle chidings and powerful exhortations you have continually directed our thoughts to the spiritual source of all true goodness and happiness.

At the opening of the Second Vatican Council, in which you played such an important role, Pope John XXIII spoke of the duty of every Christian to "tend always toward heaven." In your great courage and compassion, in your piety and the boundless energy with which you carry out your mission, you have set an example for the world. It's an example that challenges us all to live a life of charity, to live a life of prayer, to work for peace, and, in that beautiful phrase of John XXIII, to "tend always toward heaven."

I know that today marks the beginning of a very important time for you personally and for the people of your faith, for it's this day that you begin the observance of a year of prayer and devotion to the Virgin Mary with a worldwide prayer for peace. I wish you great joy, happiness, and fulfillment in the coming months. And I thank you, your Holiness, and may God bless you.

Note: The President spoke at noon in the Papal Library at the Pontifical Palace. Following his audience, he met with American seminarians and priests in Sala Clementine. Later in the afternoon, President Reagan attended a luncheon with Italian President

Francesco Cossiga and Prime Minister Amintore Fanfani at Castel Porziano. Following the luncheon, President Reagan returned to Villa Condulmer in Mogliano, Italy.

Radio Address to the Nation on the Venice Economic Summit *June 6, 1987*

I'm speaking to you from one of the most beautiful cities in the world, Venice, Italy, where I'll be meeting soon with the other leaders of the seven largest industrialized countries of the free world. It's time for our yearly summit conference on international economic issues. Now, all of this—foreign leaders talking economics in the city of canals and gondolas—may sound a bit distant from your daily concerns, but take it from me, the issues we'll be discussing next week directly affect your lives and your future. That's because continued economic expansion and growth throughout the world is crucial to our prosperity at home.

When I attended my first summit back in Ottawa in 1981, the global economy was in grave danger. We had inflation running at 10 percent in industrialized countries, not to mention high interest rates, excessive tax burdens, and too much government everywhere. Worse than all of this, there was no clear consensus among world leaders about how to set ourselves back on the road to recovery. In the 6 years since that conference, the United States has made tremendous progress. With the American economy leading the way, we showed what can be achieved with economic policies based on less government and more personal freedom. As we reduced the taxes, cut inflation, and brought down interest rates, we demonstrated that economic growth can be vigorous and sustained. So, too, the world leaders in Venice next week can look back on a solid record of accomplishment. Today inflation remains low, while interest rates are moderate, and prospects are favorable for growth to continue for a fifth year. So, you see, we did find that consensus for econom-

ic renewal and growth, a consensus that relied not on government but the dynamism of free peoples.

But there are challenges ahead, and what we do next week to meet those challenges will have a direct impact on all Americans. Those of you who listen to these broadcasts will know, for example, how often I've stressed the threat that high tariffs and other trade barriers pose to economic progress. Some of us who lived through the hard times of the 1930's can tell you about that danger. When one nation decides to erect these barriers, it leads inevitably to retaliation by other nations. Soon the trade war is underway. Markets shrink all over the world, and the result is economic slowdown and the loss of millions of jobs. That's why a summit conference with our major trading partners can be helpful. It's a chance to reaffirm our belief in free and fair trade, talk over the problems of protectionist legislation, and help provide a climate for the free flow of goods and commerce. It also gives us a chance to talk over other issues, like our goal of extending prosperity to the developing nations of the world. Right now the international community is helping these developing nations deal with the serious problem of heavy debt burdens. And just as this summit is helpful in coordinating our trade policies and our efforts to help spread prosperity to the rest of the world, our discussions in Venice will permit us to address such diverse topics as agricultural problems, terrorism, drug abuse, and the AIDS epidemic.

So, too, the relationship between the free nations of the world and the Soviet bloc will be much on our minds. You probably know,

for example, some very serious negotiations on arms reductions are reaching a critical stage. These negotiations affect our allies, so it's essential that we maintain our commitment to their security as well as our own. We also need to reaffirm our pledge to a strong defense while exerting pressure on the Soviets for progress in such areas as regional conflicts, like Afghanistan, and human rights.

So, the agenda next week is a full one. But certainly one source of encouragement is our record of accomplishment not only for the past few years but during the past four decades. Forty years ago this week, then-Secretary of State George Marshall announced an economic recovery plan for the European nations devastated by World War II. The plan was not a giveaway program; it

was instead an incentive-oriented effort to get European nations to work together and build a new prosperity, a prosperity built on self-help and mutual love of freedom. It's this same idea of freedom which has kept much of the world at peace for four decades and brought rising standards of living to the average person. That's what we'll be seeking to advance further in Venice. Our goal now is, together, to build on this record of growth and opportunity for the future, as we've done in the past.

Until next week, thanks for listening, and God bless you.

Note: The President's address was recorded on June 5 at the Villa Condulmer in Mogliano, Italy, and was broadcast at 12:06 p.m. on June 6.

Statement on Japan-United States Semiconductor Trade June 8, 1987

As we open this economic summit, one of our primary concerns must be the removal of barriers that seek to maintain trade imbalances and lead to protectionism. Our pledge should be to free competition in a fair market environment. Almost 6 weeks ago, I signed an order placing sanctions on Japanese products resulting from their failure to comply with our antidumping and market-access agreement on semiconductors. The clear message was that we intend to be serious about fair trade; equally clear was our desire to lift these sanctions just as soon as the data showed "clear and continuing evidence" of compliance. Japan is a major economic partner as well as a staunch friend and ally, and we want to make every effort to resolve our differences as rapidly as possible.

Unfortunately, the initial review of the data relating to the semiconductors is not sufficient for me to remove the full range of sanctions which were imposed. However, in

one area, there are strong indications that third-country dumping of [dynamic random-access memory devices] DRAM's has declined. Clearly, there has been marked improvement in this one area. I am aware of congressional concern that there be consistent, positive movement toward compliance.

Therefore, I have today ordered a proportional response. DRAM's account for 60 percent of the \$135 million in sanctions related to dumping. The data for DRAM's show an increase from 59 percent to 85 percent compliance with fair market value, or more than halfway to an acceptable goal. I am directing a sanction release of \$51 million, a 17-percent reduction in the total value. This release is strictly proportional to progress to date. The Japanese Government has given me assurances that this positive pattern with respect to third-country dumping will continue. If this does not prove to be the case, I will not hesitate to reimpose the partial sanctions that have been lifted.

Informal Exchange With Reporters on Japan-United States Semiconductor Trade

June 8, 1987

Q. Mr. President, can you tell us why you're being more sensitive to Japanese interests than American interests with the lifting of the sanctions?

The President. Andrea [Andrea Mitchell, NBC News], normally, I'm not taking questions on anything, but that question has to be answered. We're not doing something that is more—we said from the very beginning that when they returned to abiding by the agreement that we thought we had, we would lift the sanctions. Well, they have started. And the amount of tariff that we have removed is just proportionate to the extent that they have so far returned to abiding by the agreement. And if they don't, if they go back the other way, we will again put the penalty on full, but if they continue, why, we proportionately will lift the tariffs.

Q. But, sir, both Senators Dole and Byrd,

for instance, have argued that they shouldn't be lifted. There's a lot of feeling in Congress that this will lead to more rebellion in Congress on protectionism.

The President. Well, we were aware of that. We were aware that they might feel that way—those, particularly, with the protectionist bent. But at the same time, we wanted to show that we really meant it, that those sanctions were put on for a particular reason. And we have to recognize that there are people in Japan, like Prime Minister Nakasone, who have worked very hard to oppose the action that they had taken, and we think that they ought to be rewarded for their effort.

Note: The exchange began at 6:48 p.m. at Palazzo Ducale, prior to a meeting with Prime Minister Amintore Fanfani, in Venice, Italy.

Venice Economic Summit Conference Statement on East-West Relations

June 9, 1987

1. We, the Heads of State or Government of seven major industrial nations and the Representatives of the European Community, have discussed East-West relations. We reaffirm our shared principles and objectives, and our common dedication to preserving and strengthening peace.

2. We recognize with pride that our shared values of freedom, democracy and respect for human rights are the source of the dynamism and prosperity of our societies. We renew our commitment to the search for a freer, more democratic and more humane world.

3. Within existing alliances each of us is resolved to maintain a strong and credible defence which threatens the security of none, protects freedom, deters aggression

and maintains peace. We shall continue to consult closely on all matters affecting our common interest. We will not be separated from the principles that guide us all.

4. Since we last met, new opportunities have opened for progress in East-West relations. We are encouraged by these developments. They confirm the soundness of the policies we have each pursued in our determination to achieve a freer and safer world.

5. We are following with close interest recent developments in the internal and external policies of the Soviet Union. It is our hope that they will prove to be of great significance for the improvement of political, economic and security relations between the countries of East and West. At the same time, profound differences persist;

each of us must remain vigilantly alert in responding to all aspects of Soviet policy.

6. We reaffirm our commitment to peace and increased security at lower levels of arms. We seek a comprehensive effort to lower tensions and to achieve verifiable arms reductions. While reaffirming the continuing importance of nuclear deterrence in preserving peace, we note with satisfaction that dialogue on arms control has intensified and that more favourable prospects have emerged for the reduction of nuclear forces. We appreciate US efforts to negotiate balanced, substantial and verifiable reductions in nuclear weapons. We emphasize our determination to enhance conventional stability at a lower level of forces and achieve the total elimination of chemical weapons. We believe that these goals should be actively pursued and translated into concrete agreements. We urge the Soviet Union to negotiate in a positive and constructive manner. An effective resolution of these issues is an essential requirement for real and enduring stability in the world.

7. We will be paying close attention not only to Soviet statements but also to Soviet actions on issues of common concern to us. In particular:

—We call for significant and lasting progress in human rights, which is essential to building trust between our societies. Much still remains to be done to meet the principles agreed and commitments undertaken in the Helsinki Final Act and confirmed since.

—We look for an early and peaceful resolution of regional conflicts, and especially for a rapid and total withdrawal of Soviet forces from Afghanistan so that the people of Afghanistan may freely determine their own future.

—We encourage greater contacts, freer interchange of ideas and more extensive dialogue between our people and the people of the Soviet Union and Eastern Europe.

8. Thus, we each seek to stabilize military competition between East and West at lower levels of arms; to encourage stable political solutions to regional conflicts; to secure lasting improvements in human rights; and to build contacts, confidence and trust between governments and peoples in a more humane world. Progress across the board is necessary to establish a durable foundation for stable and constructive relationships between the countries of East and West.

Venice Economic Summit Conference Statement on Terrorism *June 9, 1987*

We, the Heads of State or Government of seven major democracies and the Representatives of the European Community assembled here in Venice, profoundly aware of our peoples' concern at the threat posed by terrorism;

—reaffirm our commitment to the statements on terrorism made at previous Summits, in Bonn, Venice, Ottawa, London and Tokyo;

—resolutely condemn all forms of terrorism, including aircraft hijackings and hostage-taking, and reiterate our belief that whatever its motives, terrorism has no justification;

—confirm the commitment of each of us

to the principle of making no concessions to terrorists or their sponsors;

—remain resolved to apply, in respect of any State clearly involved in sponsoring or supporting international terrorism, effective measures within the framework of international law and in our own jurisdictions;

—welcome the progress made in international cooperation against terrorism since we last met in Tokyo in May 1986, and in particular the initiative taken by France and Germany to convene in May in Paris a meeting of Ministers of nine countries, who are responsible for counter-terrorism;

- reaffirm our determination to combat terrorism both through national measures and through international cooperation among ourselves and with others, when appropriate, and therefore renew our appeal to all like-minded countries to consolidate and extend international cooperation in all appropriate fora;
- will continue our efforts to improve the safety of travellers. We welcome improvements in airport and maritime security, and encourage the work of ICAO and IMO in this regard. Each of us will continue to monitor closely the activities of airlines which raise security problems. The Heads of State or Government have decided on measures, annexed to this statement, to make the 1978 Bonn Declaration more effective in dealing with all forms of terrorism affecting civil aviation;
- commit ourselves to support the rule of law in bringing terrorists to justice. Each of us pledges increased cooperation in the relevant fora and within the framework of domestic and international law on the investigation, apprehension and prosecution of terrorists. In particular we reaffirm the principle established by relevant international conventions of trying or extraditing, according to national laws and those international conventions, those who have perpetrated acts of terrorism.

Annex

The Heads of State or Government recall that in their Tokyo Statement on international terrorism they agreed to make the 1978 Bonn Declaration more effective in dealing with all forms of terrorism affecting civil aviation. To these end, in cases where a country refuses extradition or prosecution of those who have committed offences described in the Montreal Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation and/or does not return the aircraft involved, the Heads of State or Government are jointly resolved that their Governments shall take immediate action to cease flights to that country as stated in the Bonn Declaration.

At the same time, their Governments will initiate action to halt incoming flights from that country or from any country by the airlines of the country concerned as stated in the Bonn Declaration.

The Heads of State or Government intend also to extend the Bonn Declaration in due time to cover any future relevant amendment to the above Convention or any other aviation conventions relating to the extradition or prosecution of the offenders.

The Heads of State or Government urge other governments to join them in this commitment.

Venice Economic Summit Conference Statement on the Iraq-Iran War and the Persian Gulf

June 9, 1987

We agree that new and concerted international efforts are urgently required to help bring the Iraq-Iran war to an end. We favour the earliest possible negotiated end to the war with the territorial integrity and independence of both Iraq and Iran intact. Both countries have suffered grievously from this long and tragic war. Neighbouring countries are threatened with the possible spread of the conflict. We call once more

upon both parties to negotiate an immediate end of the war. We strongly support the mediation efforts of the United Nations Secretary-General and urge the adoption of just and effective measures by the UN Security Council. With these objectives in mind, we reaffirm that the principle of freedom of navigation in the Gulf is of paramount importance for us and for others and must be upheld. The free flow of oil and other traf-

fic through the Strait of Hormuz must continue unimpeded.

We pledge to continue to consult on ways to pursue these important goals effectively.

Nomination of Kenneth P. Bergquist To Be an Assistant Secretary of Defense

June 9, 1987

The President today announced his intention to nominate Kenneth P. Bergquist to be an Assistant Secretary of Defense (Special Operations and Low Intensity Conflict). He would succeed Chapman B. Cox. This is a new area of responsibility provided for in P.L. 99-500 of October 18, 1986.

Since 1986 Mr. Bergquist has been the Deputy Assistant Attorney General in the Office of Legislative Affairs, Department of Justice. Prior to this he was Deputy Assistant Secretary for Readiness, Force Manage-

ment and Training at the Department of the Army, 1983-1986.

Mr. Bergquist graduated from Stanford University (B.A., 1967) and the University of Texas School of Law (J.D., 1977). He served in the United States Army, 1967-1974, and since 1974 has served in the United States Army Reserve. He was born April 12, 1944, in Washington, DC. Mr. Bergquist is married, has two children, and resides in McLean, VA.

Appointment of the 1987-1988 White House Fellows

June 9, 1987

The President today announced the appointment of the following individuals to be the 1987-1988 White House fellows:

Arthur J. Athens, of Maryland. Capt. Athens serves in the United States Marines and is assistant professor of computer science at the U.S. Naval Academy. He graduated from the United States Naval Academy (B.S., 1978) and the Naval Post Graduate School (M.S., 1983). Capt. Athens was born November 16, 1956, in Glen Cove, NY.

Bruce A. Berwick, of New York. Major Berwick serves in the United States Army and is an assistant professor in the department of social sciences of the United States Military Academy. He graduated from the United States Military Academy (B.S., 1976) and Yale University (M.A., 1984). Major Berwick was born May 22, 1954, in Bozeman, MT.

George M. Drysdale, of California. Mr. Drysdale is general partner with Hambrecht and Quist Venture Partners. He graduated from Harvey Mudd College, Claremont, CA, (B.S., 1976) and Stanford University (J.D., 1980; M.B.A., 1980). Mr. Drysdale was born September 16, 1954, in Manila, Philippines.

Jeffrey S. Hall, of Missouri. Mr. Hall is vice presi-

dent for marketing for the Kansas City Star Co. He graduated from Stanford University (A.B., 1974) and the Harvard Graduate School of Business Administration (M.B.A., 1978). Mr. Hall was born November 13, 1951, in Boston, MA.

Robert W. Johnson, of Georgia. Maj. Johnson serves with the United States Army. He is an assistant professor with the department of social sciences at the United States Military Academy. Maj. Johnson graduated from the United States Military Academy (B.S., 1975) and the Fletcher School of Law and Diplomacy (M.A.L.D., 1983; Ph.D. candidate). He was born September 30, 1953, at Ramey Air Force Base, PR.

Karen Kellerhouse, of New York. Ms. Kellerhouse serves as financial manager with the Port Authority of New York and New Jersey. She graduated from American University (B.A., 1973) and the Kennedy School of Government, Harvard University (M.P.A., 1979). She was born August 13, 1952, in Lancaster, PA.

Alan S. Kopit, of Ohio. Mr. Kopit is an attorney and a partner with the law firm of Hahn, Loeser & Parks in Cleveland, OH. He graduated from Tufts University (B.A., 1974) and the

University of Chicago Law School (J.D., 1977). He was born August 26, 1952, in Cleveland, OH.

David F. Melcher, of Pennsylvania. Maj. Melcher serves with the United States Army as a military intern with the Joint Chiefs of Staff in Washington, DC. He graduated from the United States Military Academy (B.S., 1976); Tufts University, Fletcher School of Law and Diplomacy (1982); and Harvard Graduate School of Business (M.B.A., 1983). Maj. Melcher was born May 20, 1954, in Allentown, PA.

James L. Nuzzo, of Massachusetts. Dr. Nuzzo is chief resident in neurology, Harvard Medical School, and research fellow at the Center for Health and Policy Management, John F. Kennedy School of Government at Harvard University, Cambridge, MA. He graduated from Yale College (B.A., 1977) and Georgetown School of Medicine (M.D., 1980). He was born May 1, 1955, in Rockville Centre, NY.

A. Mary Sterling, of Missouri. Ms. Sterling is an attorney in the private practice of law in Kansas City. She graduated from Harvard University (A.B., 1976), Ohio State University (M.A., 1977), and New York University School of Law (J.D., 1980). Ms. Sterling was born September 4, 1955, in Pioneer, OH.

David M. Webster, of Illinois. Mr. Webster is an attorney and partner with the law firm of Winston & Strawn, Chicago, IL. He graduated from Williams College (B.A., 1972) and the University of Virginia School of Law (J.D., 1975). Mr. Webster was born June 22, 1950, in Chicago, IL.

John H. Weiland, of New Jersey. Mr. Weiland is vice president, Eastern United States, American Scientific Products Division of Baxter Travenol Laboratories, Inc., Edison, NJ. He graduated from Allentown College of St. Francis de Sales (B.S., 1977) and New York University (M.B.A., 1987). Mr. Weiland was born October 8, 1955, in Philadelphia, PA.

Proclamation 5666—300th Commencement Exercise at the Ohio State University

June 10, 1987

By the President of the United States of America

A Proclamation

On June 12, 1987, the Ohio State University will observe its 300th Commencement Exercise since it opened in September 1873 as the Ohio Agricultural and Mechanical College, a land-grant college for the Buckeye State under the Morrill Act of 1862. Today Ohio State has more than 50,000 students and its large body of alumni makes outstanding contributions in every area of endeavor in Ohio and throughout our country and the world.

The tradition of excellence in higher education at the Ohio State University enriches our Nation. We can all share in and celebrate Ohio State's theme for its 300th Commencement, "A Distinguished Past, a Dynamic Future."

The Congress, by House Joint Resolution 280, has designated June 12, 1987, as a day

of observation of the occasion of the 300th Commencement Exercise at the Ohio State University and has authorized and requested the President to issue a proclamation in observance of this occasion.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim June 12, 1987, as a day of observation of the occasion of the 300th Commencement Exercise at the Ohio State University. I call upon all Americans to observe this occasion with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this tenth day of June, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 3:27 p.m., June 15, 1987]

Statement on the Proposed United States Arms Sale to Saudi Arabia *June 11, 1987*

I deeply regret the necessity, temporarily, to withdraw the proposal to sell modified Maverick air-to-ground missiles to Saudi Arabia because of strong congressional opposition. The seven leaders meeting here for the economic summit recognize the importance of that region to our mutual economic and security interests. Saudi Arabia is our staunchest ally in the Gulf in resisting the Soviet efforts to establish a presence in the Middle East. We need their support, and they have been cooperative. This action

precipitated by Congress sends exactly the wrong signal.

To avoid further delays, I will undertake additional consultations with Congress and resubmit the necessary notifications at the earliest possible date. Arms sales which meet Saudi Arabia's legitimate defense needs and do not upset the military balance in the region are an important part of our relationship with that country. They are directly related to the protection of our long-term interests in the Persian Gulf.

Announcement of the United States Delegation to the International Conference on Drug Abuse and Illicit Trafficking *June 11, 1987*

The President announced today a high-level, expert delegation to represent the United States at the upcoming International Conference on Drug Abuse and Illicit Trafficking (ICDAIT). The Conference, to be convened in Vienna, Austria, June 17-26, under the auspices of the United Nations, represents the first time a ministerial-level world conference has been held to focus exclusively on the problem of drug abuse and trafficking.

Led by Attorney General Edwin Meese III, who also serves as the Chairman of the National Drug Policy Board, the multidisciplinary U.S. delegation will include representatives of 15 Federal agencies involved in all aspects of the President's national strategy to combat drug abuse: law enforcement, international cooperation, prevention, treatment, rehabilitation, and research.

United States Representative to the United Nations Vernon A. Walters and Deputy Secretary of State John C. Whitehead were named as alternate heads of delegation. Assistant Secretary of State Ann B. Wroblewski was named as ranking delegate. The President's Adviser on Drug Abuse Policy and the chairman and ranking minority member of the House of Representa-

tives' Select Committee on Narcotics Abuse and Control are members of the U.S. delegation. In addition, several professionals from outside the Federal Government were named to the official U.S. delegation. Included were representatives from the medical and legal communities, State and local law enforcement officials, and grassroots community organization leaders who serve on the front line in the battle against drug abuse. Attached is a full listing of the U.S. delegation.

All United Nations member states, United Nations specialized agencies, and numerous intergovernmental organizations have been invited to send delegations to the Conference. Over 3,000 people from approximately 100 countries are expected to attend. Nongovernmental organizations (NGOs) also will be well represented. A separate forum will be held concurrently with the Conference to focus on how nongovernmental entities can contribute to local, national, and global efforts to eliminate drug abuse and curb illegal production and trafficking. This is seen as particularly important in light of the considerable success they have had attracting attention and support for antidrug programs.

The United States considers this Conference to be a high-priority concern in the continuing effort to build international commitment and cooperation in the global fight against drug trafficking and abuse. The appointment of this distinguished delegation of experts reflects the important and high expectations that the United States attaches to activities of the international community

in this area. As the Attorney General has stated: "This historic Conference demonstrates that international cooperation is now a worldwide concern. Such cooperation should lead to increased international action to confront the global drug problem."

Note: A list of the members of the U.S. delegation accompanied the press release.

The President's News Conference *June 11, 1987*

The President. I have an opening statement first. I'd like to begin by serving as a sort of unofficial spokesman for all of us who've been here this week. I'm sure we all agree our stay in Venice has been comfortable and productive, and I want to express our thanks to the Italian Government and especially the people of this lovely and historic city.

Although this may come as a partial surprise to some, this has been a summit on economic issues. For all the attention certain international developments have received, I think important steps were taken in the economic sphere. The summit Seven have put the capstone on a new process for enhanced cooperation and coordination and have agreed jointly to take the policy steps necessary to assure sufficient world growth.

Implicit in all of this is our common commitment to principles that mark a turning point in public policy. I refer here to our growing desire to seek economic growth and opportunity through less government and more personal freedom. And we've seen two direct applications of these principles at this summit. First, our resolve to work together against protectionism by correcting the imbalances which are the real cause of our trade deficit—trade barriers and protectionism can only bring about a contraction of international markets and a slowing of economic growth. And second, we've taken further steps toward reducing government subsidization of agriculture and moving toward a day when market signals determine the supply and demand.

I said last year that the Tokyo summit was one of the most successful I'd attended, because we had launched new initiatives in the areas of trade, agriculture, and economic policy coordination. If that's the case, then Venice must be seen as going one better, because it put form, substance, and institutional framework on those initiatives and locked in a process which will better enable us to navigate the dynamic new world of international economics.

Now, let me add that, in addition to these economic matters, we also had an opportunity to deal with two other pressing international issues. First, I'm pleased with the support our allies have shown for a united position in the Persian Gulf. Actually, a commitment to keeping the searoutes open in that area is a vital strategic objective. As many of you know, America's allies have a very sizeable presence in the gulf. Great Britain, for example, has nearly 18 percent of its naval vessels committed there and has escorted more than a hundred ships since the beginning of this year through the straits. France, too, has a strong naval commitment there. And all of our allies have reaffirmed their support for keeping the trade routes open, the oil flowing, and moving toward a negotiated resolution of the Iran-Iraq war.

As most of you also know, we're currently engaged in a highly sensitive discussion with the Soviets that could lead to an historic arms reduction treaty on U.S. and Soviet intermediate-range missiles. Progress has been made here in Venice. And today and

tomorrow Secretary Shultz will be meeting with the NATO foreign ministers in Reykjavik. I'll be anxious to have his report about the views and recommendations of our allies. So, I'm particularly grateful I had this opportunity in Venice, not only to discuss these arms reduction efforts with our allies but to agree again on the importance of reminding the Soviet Union of the progress that needs to be made in other arms negotiations, especially the reduction of strategic intercontinental nuclear forces. So, too, it's absolutely essential that we continue to seek progress from the Soviets in the human rights area as well as regional conflicts, especially Afghanistan. As we said in our statement, the new expressions of openness from the Soviets are welcomed, but it's time to see if their actions are as forthcoming.

And now, Helen [Helen Thomas, United Press International], it's your turn.

Iran Arms and Contra Aid Controversy

Q. Mr. President, not to be a downer, but back home in recent congressional hearings, two key witnesses, General Secord and Albert Hakim, testified that they were under the firm belief that Colonel North and the NSC acted with your blessing and under the full authority of you. Did they dream this up?

The President. Well, however they got that impression—and I've heard some of the testimony, also, and so much of it was hearsay—one person saying about the other that I thought they had. I told you all the truth that first day after everything hit the fan: that how we had opened the negotiations that led to the things that were going on there, having nothing to do with the *contras* or the freedom fighters in Nicaragua, and that word had come to me that I had not been kept informed. So, evidently, maybe some people were giving the impression that they were acting on orders from me. Well, I wasn't giving those orders, because no one had asked or had told me what was truly happening there.

Q. Mr. President, you took the oath twice to faithfully execute the laws of the United States. Do you think that the law barring direct or indirect military aid to the *contras* applied to you?

The President. I not only think it didn't, but I don't think that the law was broken. We're talking about a case of people that, on their own, individuals and groups in our country, sought to send aid to the freedom fighters. And this has gone on for quite a long time in other areas; we can go clear back to the Lincoln Brigade in the Spanish Civil War. I did not solicit anyone ever to do that. I was aware that it must be going on, of course, but never solicited either countries or the other, and would point to the law that is being cited—one of the five versions of the Boland amendment—that that specifically suggested that the Secretary of State should solicit help from our friendly neighbors.

Q. You knew nothing about Colonel North's involvement in sending these arms and all of these airlifts and the airstrip and so forth?

The President. No.

Soviet-U.S. Summit

Q. Mr. President, has this summit and the expected arms endorsement by NATO ministers in Reykjavik increased prospects for a superpower summit this year?

The President. You trapped me a little bit there, because my long years in sports and sports announcing and all made me very superstitious about calling the pitcher as doing a no-hitter before the game was over. I hesitate to make optimistic statements, always have, but at the same time, I can't deny that I believe there is an increased opportunity for a summit conference and an increased opportunity for actual reductions of armaments, particularly of the nuclear kind.

Q. Sir, we understand that preliminary talks are already underway to fix a date for a summit this year with Mr. Gorbachev. Can you tell us—would September be a good guess for that?

The President. I can't give you a guess. All I know is that we have made it plain that they have the invitation, and we're waiting for them. We believe that they should state what would be the most appropriate or easiest time for them.

Chris [Chris Wallace, NBC News]?

Elliott Abrams

Q. Mr. President, Assistant Secretary of State Elliott Abrams repeatedly misled Congress, and yet Secretary of State Shultz says that he's a good man and he can keep his job. Is Shultz right? Can Elliott Abrams keep that job as long as he wants?

The President. I know the statement that was made by the Secretary of State, and that is the administration's position. And I know the reference that you're making to the particular point in which he himself volunteered that he had made a misstatement, but I accept the Secretary's statement on this.

Q. Well, I'm not sure I understand, sir. I mean, you're the President, and in the end, Mr. Abrams works for you. A couple of specifics: He specifically misled Congress about whether or not he had solicited money from Brunei. He told Congress that that downed flyer, Gene Hasenfus, had no tie to the U.S. Government. He did. I mean, you're the boss; are you comfortable with him working for you?

The President. I have told you that is the administration's position.

And now, Bill? [*Laughter*] I called Bill [Bill Plante, CBS News], "Sam" the other day, and in apologizing, I told him that the first time you asked a question I was going to call you "Bill." Sam [Sam Donaldson, ABC News]? [*Laughter*]

Persian Gulf Conflict

Q. Sir, before you came here, many people on Capitol Hill said that they wanted you to ask our allies to help with more physical help in the Persian Gulf, and many of your officials said that you would do that. Did you specifically ask any of the leaders to give us more help in the way of ships or money to keep the sealanes open in the Persian Gulf?

The President. We spoke of the need for having a kind of single approach to maintaining the international waters there as international waters and so forth, and we're gratified completely by the response. I think it has been excellent that there was no criticism from any of our allies about this. And as I've told you, there were other countries—as I've said here in my opening statement, England and France who have

forces there—two of the allies, it is true, are bound by their constitutions and could not do anything of that kind. But there was complete support for what we're trying to do, because they understood we're not trying to provoke any kind of hostility. We are trying to maintain peace, and we're all solidly together in our desire to bring about an end to the Iran-Iraq war.

Q. But sir, if I may, I take it, then, the answer to my question is no. You did not specifically ask the allies for more physical help in the Gulf.

The President. No, we were very satisfied with what they're prepared to do.

The young lady in the blue dress?

Inflation

Q. Mr. President, I'd like to turn to economics, since we are at an economic summit. I'd like to ask you if you discussed with Alan Greenspan, the next Chairman of the Federal Reserve, the future course of interest rates. And in that discussion, or at anytime, have you agreed that you think they should remain low, or do you think perhaps they should rise in order to combat inflation and the fall of the dollar?

The President. Well, frankly, most of us believe that the dollar should remain stable. It could be within reason that there could still be some lowering of the value in relation to other currencies. But we do want to control inflation, continue to control it. We've had a miraculous 50-odd months of bringing inflation down. Now there is something of a little surge again, in large part, precipitated by energy prices. But I have perfect confidence in Alan Greenspan and his philosophy and that what he would do would be used to curb that and not let inflation get out of hand again.

Deficit Reduction

Q. To follow up on that: Also at this summit, in a communique there are three different references to the countries that have big Federal deficits, that they should do more in order to reduce those deficits. What new initiative, new approaches, will you take to reduce the U.S. Federal budget deficit?

The President. I would like to continue

and be more successful with the old methods that we've been trying, and that is to convince the Congress of the United States that our government is overspending. Our total tax burden is 19 percent of gross national product, and our total spending is 24 percent of gross national product. Now, if you go back through history, you will find that even in the prosperous times, and when deficits weren't large, 19 percent was the tax burden. It is the spending that has gotten out of line.

But I would also say that when this matter was mentioned in our discussions, and with regard to our very great deficit, our allies weren't aware that in 1983 our deficit was 6.3 percent of gross national product. Today it is only 3.9 percent of gross national product—that we have made an 18-percent cut in that deficit this year—\$40 billion or more. Very likely we'll make something of the same size next year. But also they were interested to learn that our deficit was much lower as a percentage if we used their method of counting. In the other countries, they take total government spending and receipts; in our country, our deficit is just the Federal Government. But if we take into account Federal, State, and local spending and taxing, our deficit is only 2½ percent of gross national product.

The young lady right here?

Soviet Role in the Persian Gulf

Q. Mr. President, since we've been in Venice, your Chief of Staff has identified the Soviet Union, along with the United States, as cotrustees for peace in the Persian Gulf. Do you share that view, and if so, what is the role the Soviet Union can play, in your view, in the area? And I have a followup.

The President. Well, the Soviet Union has some vessels there and has made it plain they're going to escort their own ships—mainly carrying oil. And therefore, they have a stake, too, in peaceful shipping and the openness of the international waters.

Q. Well, then how do they serve as cotrustees for peace, and also do you envision any sort of coordinated role between the United States and the Soviet Union in escorting ships through the region?

The President. We would like to ask

them, because we have appealed to the U.N. committee in which they are a member. We have appealed to the United Nations, to ask for, or demand, a peaceful settlement of this war that's been going on too many years, and that if there is not a peaceful settlement, that all of us will take action such as sanctions and so forth against them.

Bill [Bill Plante, CBS News]?

Q. Mr. President, does that mean that you are endorsing a role for the Soviets in the Persian Gulf as coguarantors with the United States?

The President. No, I've never thought of them that way at all. But I think it should be pointed out that they are also there, because they have ships transiting that in commercial shipping. And this is what we're talking about.

Andrea [Andrea Mitchell, NBC News]?

General Secretary Gorbachev

Q. Mr. President, Mikhail Gorbachev seems to have had an enhanced image here among some of the other summit leaders who've met with him. And in late European polls, people seem to outrank him as a man of peace—outranking you, in their opinion, as a man of peace. Why do you think that he has that very positive public image in Europe and you don't?

The President. Maybe all of you could have helped change that—[laughter]—if you worked a little harder at it.

Q. Looking at the record, why do you think that—

The President. Well, maybe because it's so unusual. This is the first Soviet leader, in my memory, that has ever advocated actually eliminating weapons already built and in place. And I shouldn't perhaps go out of the way to say that the thing that he himself has proposed, the zero-zero of intercontinental—or intermediate-range missiles, that I proposed that 4 years ago and got in trouble with my then Secretary of State—not the present one—for saying such a foolish thing. But maybe most people have forgotten that we've been trying to get this for years. And I'm glad that he has suggested this. And we're going to continue, and we believe, as I said before, that we have a

good chance of bringing about the beginning of reducing and eliminating nuclear weapons.

Q. Well, sir, do you trust this opinion of Gorbachev? Do you think he is a man of peace and that he does want to sincerely reduce weapons and that a verifiable treaty can be reached?

The President. As you know, I've had meetings with him. And I do believe that he is faced with an economic problem in his own country that has been aggravated by the military buildup and all. And I believe that he has some pretty practical reasons for why he would like to see a successful outcome.

Q. Do you trust him?

The President. Do I trust him? Well, he's a personable gentleman, but I cited to him a Russian proverb—I'm not a linguist, but I at least learned that much Russian—and I said to him, "*Dovorey no provorey.*" It means trust, but verify.

International Terrorism

Q. Mr. President, have you found that the disclosures of the Iran affair and your efforts to get the American hostages out of Lebanon have harmed you here in Europe in efforts to extradite Mr. Hamadei from Germany and, in general, in trying to get the Europeans to take strong action against terrorists?

The President. No, as a matter of fact, we have all been united, and we've even strengthened our purpose since we've been here with regard to terrorism. But with regard to Hamadei in West Germany—who has been arrested there, as you know, for carrying some ammunition—Helmut Kohl and I have had some talks about this. And I think it's interesting to note that the only question that remains is: Will Hamadei be tried for murder and hijacking in the United States or will he be tried for murder and hijacking in Germany? Because that is what they intend to do. Now, there's been no decision made yet as to whether there would be extradition or not. But whichever way, he is going to be tried for the crime of killing our young Navy man in that hijacking.

Q. If I could follow up, sir: Your spokesman told me yesterday that Mr. Kohl had,

in fact, rejected the plea for extradition and that Mr. Hamadei would be tried for murder, but in West Germany. Was he incorrect in saying that?

The President. I do not know whether there's been a decision. He has never said outright to me, "No extradition." He said this is what remains to be determined: just where is he going to be tried. But I have not attempted to put any pressure on him, either.

Persian Gulf Conflict

Q. Mr. President, you said there was no criticism of the other summit leaders of your Persian Gulf policy, but a French Government spokesman said that your policy was so confusing they didn't know what you are asking them to support. Can you tell us what your military policy in the Gulf is, and does it include the possibility of a preemptive strike if Iran does deploy the Silkworm missiles?

The President. I don't think they feel that way after they've had a chance to talk to me and hear what I'm saying about it. Why, I'm saying that all of us have a stake in maintaining that body of international water open to trade. It is of vital importance to a number of countries, more so than to us, because of their needs in the energy field. But also I think they are assured now that we're not there to, as I say, provoke some kind of increased hostility. We're there to deter that very thing.

Q. Well, what about the deployment of the missiles, Mr. President.

The President. What?

Q. Would that make you consider the possibility of a preemptive strike?

The President. When you get down to actual tactics and things that might be done, you're in a field that I can't answer, nor do I think I should answer. This is like talking about tactics before—

Q. Your Chief of Staff said it would be considered a hostile act and would run the risk of reprisal.

The President. Well, as I say, I'm just not going to answer questions on that.

Iran Arms and Contra Aid Controversy

Q. Mr. President, Robert McFarlane, your

former national security adviser, testified that the plan to bribe—or in the words of the White House, to rescue the American hostages in Beirut that involved the DEA [Drug Enforcement Administration]—had not been the subject of an intelligence finding. My question then, sir, is why do you feel, if you approved it, that operation did not require a finding or notification of Congress?

The President. All I knew about that particular thing was that I was told that there was something going on in which it might be possible to free one or more hostages of ours and they would be delivered to the beach north of Beirut if we were able to take them off that beach. And I said, well, of course, with the Mediterranean fleet there, you bet we can take them off. And it wasn't until all of this exposure that then I heard that what it was about was supposedly some money for bribing some people that they thought could effect the rescue of one or more of our hostages and that had to be the thing. But it never happened, and no one ever arrived on the beach north of Beirut.

Q. Well, something else you also may not have heard, sir, during the testimony it became clear that Colonel North, in addition to spending money that had been raised, presumably, for the *contras*, also, apparently, was about to receive—or arrangements had been made for him to receive \$200,000 from the Secord-Hakim operation. Do you believe that North was on the take? Whether or not you do, do you believe he's still an American hero?

The President. One cannot quarrel with his military record, and it established him as such with the awards that he received for his heroism in combat. But I'm going to wait until he's had his day in court, also, and I'm not going to prejudge on the basis of all that has been going on for these countless hours.

Q. Mr. President, did you find it uncomfortable or difficult to talk to your summit partners about not selling weapons to Iran and Iraq when everyone at the table knew that the administration had done just that in the case of Iran?

The President. We were not dealing with the Government of Iran. And again, I want

to point out that I did not believe—I still feel as I always have—you do not ransom hostages and thus create a market for more hostages. We had been approached by individuals, some in the Government of Iran, but who said that they were trying to establish a relationship with the United States that could go into effect when and if there was a succeeding government to the Khomeini.

And as a matter of fact, we were given to believe that they thought that might be sooner rather than later. And they asked for—it was almost, in comparison to the normal sales of weapons, a token—first of all, that would prove our sincerity in this but also, they frankly admitted, would enhance their ability to have the help of the military if and when this time came. And this was how we settled upon the \$12 million worth of arms. But never—and this has been, I'm afraid, misportrayed to many—we were not doing business with the Khomeini's government. As a matter of fact, the operation was covert, because we believed that the people who were trying to contact us—their lives would be in danger if it was ever found out in their home country what they were doing.

Arms Sales to Iran and Iraq

Q. A followup, sir: But nonetheless, there was the distinct possibility—or is the distinct possibility that those weapons did end up as part of the war effort against Iraq. So, again, the question is how can the U.S. come to a meeting like this and ask other people not to do what it actually did?

The President. And because we won't do this any more—but as I say, we were—that amount of arms—as nearly as we can determine, in the last few years, countries involving the Communist bloc, other countries in Europe and Asia, have probably provided \$10 billion worth of arms to Iran and some \$34 or \$35 billion worth to Iraq. And we have been all of this time trying to bring the war to an end. And we're going to continue to try, and as I've said, this thing that did not come to fruition—a new government and so forth. No, we will not engage in arms sales, nor do we think anyone else should. And we believe that if the U.N. Se-

curity Council should take the action that we're all asking them to take—but then there should be sanctions against any nation that does sell arms to either of the combatants.

Farm Subsidies

Q. Mr. President, you challenged the summit partners the other day to try to eliminate agriculture subsidies from the world by the year 2000. And I wondered if you are going to continue to press them to do that, and how are you going to convince them to do that?

The President. We're all very much agreed in this meeting on the fact that something—as we decided a year ago in Tokyo—something must be done worldwide with regard to agriculture, that governments, all of us, are subsidizing overproduction. There is no market for much of what is being produced. And the total subsidies—our allies and ourselves right here in the summit—total around \$140 billion a year to bring this about. We are determined to go forward, and this, we have all agreed, will be continued at the Uruguay round of talks, the GATT talks that are going on. And this will be a major subject as to how we can bring back the marketplace as the determinant of production and price in farming.

Q. But how do you rate the chance of accomplishing the end of the subsidies by the year 2000—13 years from now?

The President. Well, the only reason we set a figure down the road was because all of us recognized that having for several decades now accustomed agriculture to government subsidies of various kinds you can't just suddenly pull the rug out from under them. It wouldn't be fair, and we're not going to do that. But we are going to move toward—and with plenty of warning to them—that the day is coming when the marketplace will determine the price and

what is needed.

Yes?

Arms Sales to Iran and Iraq

Q. Mr. President, as you know, the joint statement on the Persian Gulf did not mention the possibility of imposing sanctions on countries that violated the proposed Security Council resolution. Your Secretary of State told us that it was a common understanding among the seven heads of state that in fact you were talking about mandatory sanctions, but other spokesmen for other governments say that's not the case. What is your understanding, and if you all did mean to endorse mandatory sanctions, why didn't the communique or the statement say so?

The President. A discussion came up between the choice of the words "enforceable" and "effective." And it was decided—a case in semantics here—it was decided that "effective" meant the other, and we didn't need the other word. So, it was agreed that we would use "effective" measures.

Q. But would you say that you still have some persuading to do with the other countries before you get them to agree to this idea of sanctions?

The President. Not among the seven who are here. We're pretty united on it.

Note: The President's 41st news conference began at 2 p.m. on the grounds of the Hotel Cipriani in Venice, Italy, and was broadcast live on nationwide radio and television. In his remarks, he referred to Eugene Hasenfus, a crewmember of a plane shot down over Nicaragua. Mr. Hasenfus was charged with supplying arms to the Nicaraguan democratic resistance. The President also referred to Mohammed Ali Hamadei, a Lebanese Shi'ite Moslem involved in the 1985 hijacking of TWA flight 847 and the murder of Robert D. Stethem.

Remarks at the Italian-American Conference on Private Sector Initiatives in Venice, Italy

June 11, 1987

It's a pleasure to be here today at the first Italian-American Conference on Private Sector Initiatives. Yesterday we concluded this year's economic summit. I looked around that table at the leaders of some of the world's great democracies, and I couldn't help thinking how precious our common heritage is. It was a great Italian who said, "the natural rights of personality, family, and society exist before the state." Those words, spoken by an Italian, are as American as the Declaration of Independence—for that matter, as British as the Common Law and as French as the writings of Montesquieu. They could be called the common credo of every democratic nation across the Earth.

Yet if freedom, democracy, and the rights of man are to be preserved through the ages, free men and women must accept the responsibilities that go with their freedoms. And this is why I wanted to take some time out after the summit to meet with you, because as business men and women, as citizens, you've been leaders in taking up the responsibilities of liberty. Again and again, over the years, all of you have volunteered yourselves and your corporations to causes that have helped make life better for the people of both Italy and America and of people all over the world. When you've seen a need to be filled, a job to be done, you haven't waited for government to lead the way; you've set out and got the work done yourselves.

And let me say that we can see all around us testimony to the strength here in Italy of voluntarism and of private giving, of what we in America sometimes call private sector initiatives. It was a private sector initiative by Fiat that restored this magnificent building, the Palazzo Grassi. And just down the Grand Canal are the noble horses of St. Mark's Basilica, which through an initiative by Olivetti have toured the world, showing something of the beauty of Venice to many who will not have the opportunity to come to this great city.

Yes, in country after country, private sector initiatives are teaching children, caring for the sick, helping the poor build better lives for themselves, and searching for ways to cure disease. Whether people are in sickness, sorrow, or in need, private sector initiatives have been created to answer the call. Last November in Paris, at the International Conference on Private Sector Initiatives, men and women from seven nations showed that yours is an international movement. Yesterday in Milan you continued the work you began in Paris with a new exchange of ideas.

In the meantime, of course, I have been meeting here in Venice with the leaders of the six leading industrial democracies. We've held productive discussions on subjects ranging from East-West relations to terrorism to economic policy and free trade. These meetings are important, and they have received, as they should, a great deal of attention from the press. And yet I can't help thinking that any true history of our times will show that your work, and that of millions of free men and women all around the world, has done as much to build the future of our civilization as have all the statesmen in all the summits over the years. History has shown that governments alone cannot possibly meet the challenges of a growing world. I believe that private sector initiatives will provide many solutions to the challenges of the 21st century.

They're already giving us lasting symbols of the friendships between democratic peoples and countries on which European and American peace and prosperity have been built over the last 40 years. In this regard, I'm pleased to commend the National Italian-American Foundation for their efforts in restoring a magnificent garden here in Venice. This Italian-American Friendship Garden will be a lasting reminder of this meeting in Venice. And Jim Robinson has just announced another step in Italian-American friendship. This innovative pro-

gram will contribute to the restoration of other Italian national treasures. It's a fine example of private sector initiatives at work.

I want to thank all those involved in these projects as well as the members of my board of advisors on private sector initiatives and their Italian counterparts, who have made this conference possible. By shouldering the responsibilities of freedom, you are helping to preserve freedom, to preserve this great hope for all mankind that our countries represent. And the voices that thank you come not just from Italy and America, not just from Europe, but from throughout the world. And Frank, I have to tell you, in giving me this honor, which you've just given me, kind of makes things all right for the industry that I once was in, the motion picture industry. We had an actor there who was only being an actor in Hollywood long enough to get the money to come to Italy, because he aspired to an operatic career. And he went to Milan, and he studied. And then he was asked to sing in "Pagliacci," the very spiritual fountain-head of opera. And he did an aria, and he received such thunderous and sustained applause that he had to repeat the aria as an encore. And again the same sustained, thunderous applause, and again he sang "Vesti la Giubba." And this went on until finally he motioned for quiet, and he tried to tell them how full his heart was for this reception. "But," he said, "I have sung 'Vesti la Giubba' now nine times. My voice is gone; I cannot do it again." And a voice from the balcony said, "You'll do it until you get it right." [Laughter]

You know, all that we talked about, I just have to tell you one last little incident here that is really true of what brings us together here—private initiative. I'm sure that our people have told you that there in Washington now, we have in the computers some 3,000 programs where some little hamlet or village or town has found a problem and a way to solve it themselves. And we keep this, because then when inquiries come

from people that say what could we do about it, we go to the computers and are able to tell them how a program was set up privately by the people and made to work.

A little town in Texas had something for several years called Christmas in April. All year long the people of that town kept track and watched for homes of elderly people or homes of people that were handicapped or very poor; and if there were things like leaking roofs and plumbing that didn't work and so forth, they made a list during all the year. And then on April 1st the merchants that dealt in the products they needed—building materials and paint and so forth—would donate. But citizens of every calling, as volunteers, would show up on that April 1st, knock on the door, and say we're here to put a new roof on your house or paint your house or fix the plumbing or do what has to be done. That went on in that little town in Texas.

Well, a couple of years ago, I was amazed to see some people that didn't look like ordinary workmen in Washington, DC, nailing shingles on a roof and others painting a porch and so forth. I recognized a couple of judges among them. There were some professional people, some medical personnel and all. Believe it or not, Washington, DC, had discovered from that little town in Texas private initiative, and now had Christmas in April for the people, the poor that might be there in the Capital.

So, what's ahead for all of you, I think you're going to find, is most exciting, most wonderful, and just a blessing of freedom that a number of people in the world cannot have unless they see the error of their ways and turn to our way of life. Thank you all. God bless you.

Note: The President spoke at 3:26 p.m. at the Palazzo Grassi. In his remarks, he referred to James Robinson, chairman of the American Express Co. Frank Stella, president of the National Italian-American Foundation, gave President Reagan a foundation lapel pin.

Proclamation 5665—750th Anniversary of Berlin, 1987 June 8, 1987

*By the President of the United States
of America*

A Proclamation

Berlin, one of the world's great cities and the largest German city, this year observes its 750th anniversary. This is cause for celebration for Berliners and for all Germans, and also for the people of the United States and the rest of the world.

The history and character of Berlin and its people give powerful testimony about human nature and its capabilities. After three-quarters of a millennium and many shocks and reversals through the ages, Berlin is yet a young city—young with all the capacity of the human spirit to renew itself, to strive and to seek, to build anew and create, and, most of all, to hope. Time and again, Berlin has overcome desolation and isolation with will, energy, and courage. Even now, its spirit towers over the wall that presently divides the city.

Today Berlin remains close to the spiritual center of the Western world. Americans have a special affinity for Berlin that goes beyond formal political or economic ties, because we feel a kinship with its spirit of strength and creativity and because we see our own hopes and ideals mirrored in the deep attachment of its people to freedom and its blessings. Thousands of Americans—scholars, service men and women and their families, business people, diplomatic person-

nel, and so on—live in Berlin and make vital contributions to the life of the city. We have helped Berlin grow, and we have shared its spirit.

As we near the end of the 20th century, we see that Berlin, though ancient, is a city of the future. We know that the courageous and freedom-loving spirit that has guided so much of Berlin's past will help ensure a future of freedom for all mankind in the years to come. "*Berlin bleibt doch Berlin*—Berlin is still Berlin."

Now, Therefore, I, Ronald Reagan, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby recognize Berlin's 750th Anniversary, 1987. I call upon the people of the United States to join in celebrating and honoring Berlin's 750th anniversary with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this eighth day of June, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 3:26 p.m., June 15, 1987]

Note: The proclamation was released by the Office of the Press Secretary on June 12.

Written Responses to Questions Submitted by Die Welt of the Federal Republic of Germany June 12, 1987

Berlin

Q. Mr. President, you will visit Berlin on June 12. What will be your message to the Berliners?

The President. My message to Berliners, and indeed to all citizens of the world, is that freedom brings prosperity; freedom

pays. That conclusion is inescapable for anyone who views the difference between East and West, so sharply visible in divided Berlin. Even the Soviet leadership seems to be coming to acknowledge the benefits of freedom. If they really do come to understand, then there is one step they could

take that would be unmistakable: Tear down the wall, open the gates.

Today represents a moment of hope. We in the West stand ready to cooperate with the East to promote true openness—to break down the barriers that separate people, to create a safer, freer world. And surely there is no better place than Berlin, the meeting place of East and West, to make a start.

I salute the people of Berlin for their history, courage, their steadfastness, and their dedication to freedom. We hope and expect that the Berlin of the future will be even more splendid than it is today. I intend to work with President von Weizsäcker, Chancellor Kohl, Mayor Diepgen, and our French and British colleagues to ensure that this future becomes reality.

Arms Control

Q. Are you in full harmony with the German standpoint on disarmament, as expressed in the statement of the Federal Chancellor Helmut Kohl in the Federal Parliament, especially about the connection between conventional and nuclear reductions?

The President. Yes, I strongly share the key messages contained in the Chancellor's statement, specifically:

—We agree that our guideline is the reliable prevention of all wars, both conventional or nuclear.

—We agree that for the foreseeable future there is no alternative to the defense strategy of flexible response developed by the alliance.

—We agree that this means the alliance will continue to have to rely on a balance of conventional and nuclear forces, and that, therefore, for as long as this is the case, we cannot support any attempt to remove all nuclear weapons from Europe.

—We agree that the level of U.S. and Soviet nuclear weapons should be reduced, and that we should maintain no more nuclear weapons than are necessary for the security of the United States and her allies.

—We agree that the linkage between the security of the United States and that of NATO is guaranteed by the presence of U.S. troops and their families in the Federal Republic.

—We agree that disarmament is not an end in itself, and we agree that it must never lead to less security.

—We agree that the complex interactions of disarmament steps and strategy require a thorough examination during the associated decisionmaking in each alliance country and within the alliance as a whole.

—And we agree that the goal should be to establish a stable, balanced ratio of forces at the lowest possible levels.

Q. Do you think the German Government is right that there should be negotiations with the Russians about reduction of the short-range missiles under 300 miles after an agreement about INF?

The President. It is essential that we always keep in mind that the negotiations on intermediate-range missiles are only one of the negotiations in progress. These negotiations are not an end in themselves but part of a wider, more comprehensive process.

The NATO allies are working hard for progress in arms control on a wide front. We have proposed a 50-percent reduction in strategic nuclear arms which can strike targets at virtually any range. We have proposed the total elimination of chemical weapons. We are seeking to redress the current imbalance in conventional arms. Most importantly, we must have the vision to see these efforts as parts of a larger whole. In this context, I continue to favor the total elimination of all offensive ballistic missiles. However, achieving that objective must be accomplished in an orderly and realistic manner.

Q. Do you agree with Bonn that the Pershing IA missiles of the German Bundeswehr should not be included in an INF agreement?

The President. Yes, of course. Both the United States and NATO have insisted from the very beginning that the INF negotiations must cover U.S. and Soviet missiles only. These negotiations are bilateral between the U.S. and the U.S.S.R. We have consistently maintained the firm position that the U.S. will not deal with third-country systems or change existing patterns of cooperation with its allies in such bilateral negotiations.

Further, our objective in these and other negotiations is to establish equality between the U.S. and U.S.S.R. at lower levels of arms. However, the Soviet Union has long tried to assert a right to equality with the U.S. and various other nations put together. To grant them this would threaten Western security and create a dangerous precedent across the entire front of negotiations.

The Soviets did not demand a limit on

German Pershing IA missiles in the 1981–1983 INF talks or in the current talks, which began in 1985. They did not raise this issue in the 1985 Geneva summit, the 1986 Reykjavik meeting, or in the meetings between Secretary Shultz and Soviet leaders in Moscow in April of this year. I doubt that the Soviets will block an INF agreement by creating a new and artificial issue.

Remarks on East-West Relations at the Brandenburg Gate in West Berlin

June 12, 1987

Thank you very much. Chancellor Kohl, Governing Mayor Diepgen, ladies and gentlemen: Twenty four years ago, President John F. Kennedy visited Berlin, speaking to the people of this city and the world at the city hall. Well, since then two other presidents have come, each in his turn, to Berlin. And today I, myself, make my second visit to your city.

We come to Berlin, we American Presidents, because it's our duty to speak, in this place, of freedom. But I must confess, we're drawn here by other things as well: by the feeling of history in this city, more than 500 years older than our own nation; by the beauty of the Grunewald and the Tiergarten; most of all, by your courage and determination. Perhaps the composer, Paul Lincke, understood something about American Presidents. You see, like so many Presidents before me, I come here today because wherever I go, whatever I do: "*Ich hab noch einen koffer in Berlin.*" [I still have a suitcase in Berlin.]

Our gathering today is being broadcast throughout Western Europe and North America. I understand that it is being seen and heard as well in the East. To those listening throughout Eastern Europe, I extend my warmest greetings and the good will of the American people. To those listening in East Berlin, a special word: Although I cannot be with you, I address my remarks to you just as surely as to those standing here before me. For I join you, as I

join your fellow countrymen in the West, in this firm, this unalterable belief: *Es gibt nur ein Berlin.* [There is only one Berlin.]

Behind me stands a wall that encircles the free sectors of this city, part of a vast system of barriers that divides the entire continent of Europe. From the Baltic, south, those barriers cut across Germany in a gash of barbed wire, concrete, dog runs, and guardtowers. Farther south, there may be no visible, no obvious wall. But there remain armed guards and checkpoints all the same—still a restriction on the right to travel, still an instrument to impose upon ordinary men and women the will of a totalitarian state. Yet it is here in Berlin where the wall emerges most clearly; here, cutting across your city, where the news photo and the television screen have imprinted this brutal division of a continent upon the mind of the world. Standing before the Brandenburg Gate, every man is a German, separated from his fellow men. Every man is a Berliner, forced to look upon a scar.

President von Weizsäcker has said: "The German question is open as long as the Brandenburg Gate is closed." Today I say: As long as this gate is closed, as long as this scar of a wall is permitted to stand, it is not the German question alone that remains open, but the question of freedom for all mankind. Yet I do not come here to lament. For I find in Berlin a message of hope, even in the shadow of this wall, a message of

triumph.

In this season of spring in 1945, the people of Berlin emerged from their air-raid shelters to find devastation. Thousands of miles away, the people of the United States reached out to help. And in 1947 Secretary of State—as you’ve been told—George Marshall announced the creation of what would become known as the Marshall plan. Speaking precisely 40 years ago this month, he said: “Our policy is directed not against any country or doctrine, but against hunger, poverty, desperation, and chaos.”

In the Reichstag a few moments ago, I saw a display commemorating this 40th anniversary of the Marshall plan. I was struck by the sign on a burnt-out, gutted structure that was being rebuilt. I understand that Berliners of my own generation can remember seeing signs like it dotted throughout the Western sectors of the city. The sign read simply: “The Marshall plan is helping here to strengthen the free world.” A strong, free world in the West, that dream became real. Japan rose from ruin to become an economic giant. Italy, France, Belgium—virtually every nation in Western Europe saw political and economic rebirth; the European Community was founded.

In West Germany and here in Berlin, there took place an economic miracle, the *Wirtschaftswunder*. Adenauer, Erhard, Reuter, and other leaders understood the practical importance of liberty—that just as truth can flourish only when the journalist is given freedom of speech, so prosperity can come about only when the farmer and businessman enjoy economic freedom. The German leaders reduced tariffs, expanded free trade, lowered taxes. From 1950 to 1960 alone, the standard of living in West Germany and Berlin doubled.

Where four decades ago there was rubble, today in West Berlin there is the greatest industrial output of any city in Germany—busy office blocks, fine homes and apartments, proud avenues, and the spreading lawns of park land. Where a city’s culture seemed to have been destroyed, today there are two great universities, orchestras and an opera, countless theaters, and museums. Where there was want, today there’s abundance—food, clothing, automobiles—the wonderful goods of the Ku’damm. From

devastation, from utter ruin, you Berliners have, in freedom, rebuilt a city that once again ranks as one of the greatest on Earth. The Soviets may have had other plans. But, my friends, there were a few things the Soviets didn’t count on—*Berliner herz, Berliner humor, ja, und Berliner schnauze*. [Berliner heart, Berliner humor, yes, and a Berliner *schnauze*.] [*Laughter*]

In the 1950’s, Khrushchev predicted: “We will bury you.” But in the West today, we see a free world that has achieved a level of prosperity and well-being unprecedented in all human history. In the Communist world, we see failure, technological backwardness, declining standards of health, even want of the most basic kind—too little food. Even today, the Soviet Union still cannot feed itself. After these four decades, then, there stands before the entire world one great and inescapable conclusion: Freedom leads to prosperity. Freedom replaces the ancient hatreds among the nations with comity and peace. Freedom is the victor.

And now the Soviets themselves may, in a limited way, be coming to understand the importance of freedom. We hear much from Moscow about a new policy of reform and openness. Some political prisoners have been released. Certain foreign news broadcasts are no longer being jammed. Some economic enterprises have been permitted to operate with greater freedom from state control. Are these the beginnings of profound changes in the Soviet state? Or are they token gestures, intended to raise false hopes in the West, or to strengthen the Soviet system without changing it? We welcome change and openness; for we believe that freedom and security go together, that the advance of human liberty can only strengthen the cause of world peace.

There is one sign the Soviets can make that would be unmistakable, that would advance dramatically the cause of freedom and peace. General Secretary Gorbachev, if you seek peace, if you seek prosperity for the Soviet Union and Eastern Europe, if you seek liberalization: Come here to this gate! Mr. Gorbachev, open this gate! Mr. Gorbachev, tear down this wall!

I understand the fear of war and the pain

of division that afflict this continent—and I pledge to you my country's efforts to help overcome these burdens. To be sure, we in the West must resist Soviet expansion. So we must maintain defenses of unassailable strength. Yet we seek peace; so we must strive to reduce arms on both sides. Beginning 10 years ago, the Soviets challenged the Western alliance with a grave new threat, hundreds of new and more deadly SS-20 nuclear missiles, capable of striking every capital in Europe. The Western alliance responded by committing itself to a counterdeployment unless the Soviets agreed to negotiate a better solution; namely, the elimination of such weapons on both sides. For many months, the Soviets refused to bargain in earnestness. As the alliance, in turn, prepared to go forward with its counterdeployment, there were difficult days—days of protests like those during my 1982 visit to this city—and the Soviets later walked away from the table.

But through it all, the alliance held firm. And I invite those who protested then—I invite those who protest today—to mark this fact: Because we remained strong, the Soviets came back to the table. And because we remained strong, today we have within reach the possibility, not merely of limiting the growth of arms, but of eliminating, for the first time, an entire class of nuclear weapons from the face of the Earth. As I speak, NATO ministers are meeting in Iceland to review the progress of our proposals for eliminating these weapons. At the talks in Geneva, we have also proposed deep cuts in strategic offensive weapons. And the Western allies have likewise made far-reaching proposals to reduce the danger of conventional war and to place a total ban on chemical weapons.

While we pursue these arms reductions, I pledge to you that we will maintain the capacity to deter Soviet aggression at any level at which it might occur. And in cooperation with many of our allies, the United States is pursuing the Strategic Defense Initiative—research to base deterrence not on the threat of offensive retaliation, but on defenses that truly defend; on systems, in short, that will not target populations, but shield them. By these means we seek to increase the safety of Europe and all the

world. But we must remember a crucial fact: East and West do not mistrust each other because we are armed; we are armed because we mistrust each other. And our differences are not about weapons but about liberty. When President Kennedy spoke at the City Hall those 24 years ago, freedom was encircled, Berlin was under siege. And today, despite all the pressures upon this city, Berlin stands secure in its liberty. And freedom itself is transforming the globe.

In the Philippines, in South and Central America, democracy has been given a rebirth. Throughout the Pacific, free markets are working miracle after miracle of economic growth. In the industrialized nations, a technological revolution is taking place—a revolution marked by rapid, dramatic advances in computers and telecommunications.

In Europe, only one nation and those it controls refuse to join the community of freedom. Yet in this age of redoubled economic growth, of information and innovation, the Soviet Union faces a choice: It must make fundamental changes, or it will become obsolete. Today thus represents a moment of hope. We in the West stand ready to cooperate with the East to promote true openness, to break down barriers that separate people, to create a safer, freer world.

And surely there is no better place than Berlin, the meeting place of East and West, to make a start. Free people of Berlin: Today, as in the past, the United States stands for the strict observance and full implementation of all parts of the Four Power Agreement of 1971. Let us use this occasion, the 750th anniversary of this city, to usher in a new era, to seek a still fuller, richer life for the Berlin of the future. Together, let us maintain and develop the ties between the Federal Republic and the Western sectors of Berlin, which is permitted by the 1971 agreement.

And I invite Mr. Gorbachev: Let us work to bring the Eastern and Western parts of the city closer together, so that all the inhabitants of all Berlin can enjoy the benefits that come with life in one of the great cities of the world. To open Berlin still further to

all Europe, East and West, let us expand the vital air access to this city, finding ways of making commercial air service to Berlin more convenient, more comfortable, and more economical. We look to the day when West Berlin can become one of the chief aviation hubs in all central Europe.

With our French and British partners, the United States is prepared to help bring international meetings to Berlin. It would be only fitting for Berlin to serve as the site of United Nations meetings, or world conferences on human rights and arms control or other issues that call for international cooperation. There is no better way to establish hope for the future than to enlighten young minds, and we would be honored to sponsor summer youth exchanges, cultural events, and other programs for young Berliners from the East. Our French and British friends, I'm certain, will do the same. And it's my hope that an authority can be found in East Berlin to sponsor visits from young people of the Western sectors.

One final proposal, one close to my heart: Sport represents a source of enjoyment and ennoblement, and you many have noted that the Republic of Korea—South Korea—has offered to permit certain events of the 1988 Olympics to take place in the North. International sports competitions of all kinds could take place in both parts of this city. And what better way to demonstrate to the world the openness of this city than to offer in some future year to hold the Olympic games here in Berlin, East and West?

In these four decades, as I have said, you Berliners have built a great city. You've done so in spite of threats—the Soviet attempts to impose the East-mark, the blockade. Today the city thrives in spite of the challenges implicit in the very presence of this wall. What keeps you here? Certainly there's a great deal to be said for your fortitude, for your defiant courage. But I believe there's something deeper, something that involves Berlin's whole look and feel and way of life—not mere sentiment. No one could live long in Berlin without being completely disabused of illusions. Something instead, that has seen the difficulties of life in Berlin but chose to accept them, that continues to build this good and proud

city in contrast to a surrounding totalitarian presence that refuses to release human energies or aspirations. Something that speaks with a powerful voice of affirmation, that says yes to this city, yes to the future, yes to freedom. In a word, I would submit that what keeps you in Berlin is love—love both profound and abiding.

Perhaps this gets to the root of the matter, to the most fundamental distinction of all between East and West. The totalitarian world produces backwardness because it does such violence to the spirit, thwarting the human impulse to create, to enjoy, to worship. The totalitarian world finds even symbols of love and of worship an affront. Years ago, before the East Germans began rebuilding their churches, they erected a secular structure: the television tower at Alexander Platz. Virtually ever since, the authorities have been working to correct what they view as the tower's one major flaw, treating the glass sphere at the top with paints and chemicals of every kind. Yet even today when the Sun strikes that sphere—that sphere that towers over all Berlin—the light makes the sign of the cross. There in Berlin, like the city itself, symbols of love, symbols of worship, cannot be suppressed.

As I looked out a moment ago from the Reichstag, that embodiment of German unity, I noticed words crudely spray-painted upon the wall, perhaps by a young Berliner, "This wall will fall. Beliefs become reality." Yes, across Europe, this wall will fall. For it cannot withstand faith; it cannot withstand truth. The wall cannot withstand freedom.

And I would like, before I close, to say one word. I have read, and I have been questioned since I've been here about certain demonstrations against my coming. And I would like to say just one thing, and to those who demonstrate so. I wonder if they have ever asked themselves that if they should have the kind of government they apparently seek, no one would ever be able to do what they're doing again.

Thank you and God bless you all.

Note: The President spoke at 2:20 p.m. at the Brandenburg Gate. In his opening re-

marks, he referred to West German Chancellor Helmut Kohl. Prior to his remarks, President Reagan met with West German President Richard von Weizsäcker and the Governing Mayor of West Berlin Eberhard Diepgen at Schloss Bellevue, President

Weizsäcker's official residence in West Berlin. Following the meeting, President Reagan went to the Reichstag, where he viewed the Berlin Wall from the East Balcony.

Remarks on the 750th Anniversary of the Founding of Berlin June 12, 1987

The President. Well, Chancellor Kohl and Mayor Diepgen, Ambassador Burt, ladies and gentlemen: It's an honor for me to be able to join you today at this 750th birthday party for the city of Berlin. I'm especially pleased to be here today because—well, it's not often that I get to go to a birthday party for something that's older than I am. [Laughter]

But to subject you to a second speech here—[laughter]—you know, I keep thinking of a story of ancient Rome, where, on a Saturday afternoon, the hungry lions were turned loose on the little group of people there on the floor of the Coliseum, and they came charging toward them. And one individual stepped out of the group, said something very quietly, and the lions all laid down. Well, the crowd was enraged and horrified that they're going to be denied the show. And Caesar sent for the man who had spoken to the lions. And they brought him, and he said, "What did you say to them that made them act like that?" And he said, "I just told them that after they ate, there'd be speeches." [Laughter]

Well, let me begin by conveying the warmest greetings of the American people to all of you here today. While only a small fraction of the Berlin community can be here in this hall, our good wishes go to all the residents of this marvelous city, wherever they may live. And I am happy to see so many young people here this afternoon. There are two groups of local teenagers I would like to greet in a special way—the graduating classes of the Berlin-American High School and of the city's John F. Kennedy School. Congratulations on a job well done!

Well, this is a celebration for all of Berlin. To those of you in the East who are watching on television but unable to attend in person, you're here with us in spirit. The traditional banners of Berlin's 20 districts, East and West, around this hall, remind me of the kinship that exists among all people of this city. By its very existence and character, Berlin remains the most compelling argument for an open world. We're reminded of the many traditions of openness and democracy that have marked the history of this city.

America—missed me! [referring to a loud noise] [Laughter] America has a special relationship with Berlin that extends beyond formal political or economic ties. Like America, Berlin is a place of great energy. We see our own hopes and ideals mirrored in the energy and courage of Berliners and draw strength from our joint efforts here.

This sense is symbolized by the nearly 14,000 American soldiers, airmen, and their families who live and work in close cooperation with Berliners to ensure the defense of our common goals. And let me make one point clear: Our troops will remain here as long as they are wanted and needed by Berliners to demonstrate to the other side that force and coercion cannot succeed. Several thousand other Americans from all walks of life make an important contribution to the business and cultural life of this city. We've joined the centuries-old tradition of Berlin and, in a real sense, we have become Berliners.

A few moments ago here at Tempelhof, I shook hands with three men who testify to the way you Berliners and we Americans play such a proud role in each others' lives:

Three former U.S. Air Force pilots, veterans of one of the most remarkable operations in modern history, the Berlin airlift. On his flights, Colonel Gale Halvorsen tossed small, candy-filled parachutes to the children of Berlin as his plane approached the Tempelhof runway. Yes, Colonel Halvorsen was one of the famous Rosinenbombers or bomber pilots who every Berliner of that generation still remembers with warmth and affection. Another airlift veteran, Captain Jack Bennett, has many friends here today; he lives in Berlin.

As for Colonel Allen Chealander, when the Soviets blockaded Berlin, Colonel Chealander had been back in civilian life for just 8 months. He and his wife had an infant son and another child on the way. Those precious 8 months were the first Colonel Chealander had been able to devote to his family since the long years of the war. Yet, when called up for the airlift, he never hesitated. Looking back on those days of constant hardship, of danger scorned, Colonel Chealander says simply this: "We had a job to do, and we did it." In those few words, hear the understatement of a hero. I am especially pleased that Colonel Chealander and his son, who saw him only briefly before he returned to service to help fight the blockade and who is now my own military aide, are both with us here today.

I have met other heroes as well—German heroes of Berlin:

—*Truemmerfrauen*—women who, 40 years ago, collected and cleaned bricks from the rubble to rebuild their homes, their churches, their schools, their very way of life.

—A scholar, expelled by the Soviets from the city's old Humboldt University in the East, who then joined in founding what has become one of the world's major institutions of higher learning, the Free University of Berlin.

—A group of RIAS employees of the first hour who helped us get the voice of freedom on the city's airwaves in those early postwar years, and ever since. For 40 years, radio in the American sector has been a voice of freedom and an essential part of our continuing commitment to Berlin. And now we are taking another important step in German-American relations by moving

forward to make RIAS television a reality. I can't help but wonder if they will rerun "Bedtime for Bonzo." [Laughter]

—An East Berlin border guard who decided to live in freedom rather than building a wall that removes even the most basic rights of freedom and self-government.

Well, then, too, I have met Berliners whose actions speak with confidence of the city's present and future: A professor who has helped make Berlin one of the world's leading centers of research in the field of laser medicine, and the winners of the 1987 computer contest sponsored by the Berlin-U.S.A. initiative. In each face, I've seen abiding pride in this city and its accomplishments. Indeed, there's been something deeply moving, something humbling about meeting these heroes of Berlin. I feel your pride in what you've done for your city, your zest for life, your confidence and hope from having overcome so many obstacles, and the strength of your commitment to overcome those that remain. You've demonstrated to the world the value of human liberty, and perhaps the courage of your example is the greatest gift you can give to us every day of our lives.

Today when most Americans think of Berlin, they recall our postwar relationship with this city. And as we celebrate this 750th birthday, it's worth remembering that America's ties with Berlin go back many years. More than 20 American communities bear the name Berlin. Three of our Founding Fathers, Thomas Jefferson, Benjamin Franklin, and John Adams negotiated a treaty of friendship and commerce with Frederick the Great in 1785, establishing a basis for the special relationship that we enjoy today.

Americans were affected in other ways by this city when some of the best and brightest people active in Berlin came to the United States. Albert Einstein, George Grosz, Arnold Schoenberg, Kurt Weill, Mies van der Rohe—the list of former residents of this city who changed the face of modern America is practically limitless.

Audience member. [Inaudible]

The President. All right, he has just told me, and now they want to create heaven on Earth. We celebrate with you today—[In-

audible—thank you. Thank you. Well, I thank you very much, and I wish you well.

So, we do celebrate with you today, remembering the heroic deeds of these—all of them here on this platform and all Berliners, and the longstanding relationship between our two countries. But let's not forget the painful lessons of the not-so-recent past and draw on those experiences. Together, we can build a better future for this city, for Europe, and for the world. And as we look toward the 21st century, the ideals the world associates with the free part of Berlin are gaining in recognition. History did not come to an end in 1945, and it will not do so now. Berlin is a city of the future; it stands as a beacon for freedom and shines brightly for all Berliners to see.

In the name of the American people, I want to congratulate all three million Berliners on the occasion of your anniversary. And I'm proud to issue a Presidential proclamation today honoring Berlin. Perhaps more than the people of any other city, you, the free people of Berlin, have demon-

strated to the world the value of human liberty. So it is that we have so much to celebrate today. And so it is that, on behalf of my nation, I thank you. Having witnessed your courage and determination for all these years, I am confident in extending the heartfelt best wishes of all Americans for your city's future. And for those of you here today who are with our Armed Forces and who are here; I want to tell you that nothing in the job I have has made me more proud than you, the men and women wearing our military uniforms.

Thank you very much.

Note: The President spoke at 3:57 p.m. at Tempelhof Central Airport. In his opening remarks, he referred to West German Chancellor Helmut Kohl, the Governing Mayor of West Berlin Eberhard Diepgen, and U.S. Ambassador Richard R. Burt. Prior to his remarks, the President met with members of the allied armed forces serving in West Berlin. Following his remarks, the President traveled to Bonn, Federal Republic of Germany.

Remarks Following Discussions With Chancellor Helmut Kohl in Bonn, Federal Republic of Germany

June 12, 1987

My talks with Chancellor Kohl and his colleagues have fulfilled all my expectations. They confirm, as his words here have confirmed today, that relations between the United States and the Federal Republic are those of close allies and friends. Chancellor Kohl and I, together with other allies and partners, have already had the opportunity in Venice to address many of the major issues confronting the world today. There, important steps were taken to ensure the continued economic progress and freedom for our nations.

Here in Bonn, we talked, in particular, about progress in arms reductions and East-West relations. Chancellor Kohl and I agree fully on the necessity of continuing our close consultations as we pursue our common goals of reducing the danger to

Europe posed by the threatening policies and military might of the Warsaw Pact. We share deep satisfaction with NATO's 1979 double-track decision on intermediate nuclear forces—INF. It was controversial when the alliance first agreed upon it, yet time is proving it an unequivocal success. We hope to reach agreement with the Soviet Union before the end of 1987, which would drastically reduce and possibly eliminate a class of nuclear weapons that poses a particular threat to our friends and allies in Europe and Asia.

As we proceed in our quest for a safer and more stable peace, I look forward to continuing close cooperation and consultation with Chancellor Kohl and his government. And I would like to add something here also. Much is said each year about

these economic summits with the heads of state of seven countries and our meetings and whether they accomplish much or whether they don't. I have to tell you, they would accomplish much if we did nothing but meet and just talk to each other—because we have become close friends. We use our titles in public as protocol requires. But when we meet together we're on a first-name basis, and we're not meeting as much as heads of states, as we're meeting as close, personal friends who look forward to renewing our friendship with these meetings and with others in between when we can manage it.

So this has been a wonderful several days

for us to be here, to be in Venice, then to be in Berlin earlier today and to be here, and to know that we're with dear friends. And so, we say goodbye to all of you, and we say a very personal goodbye to our dear friends, Chancellor Kohl and Mrs. Kohl, and the others that we've met.

And God bless all of you, and may we all soon meet again. Thank you.

Note: The President spoke at 6:56 p.m. at Köln-Bonn Airport. Prior to his remarks, he met at the airport with Chancellor Kohl. Following his remarks, the President returned to Washington, DC.

Radio Address to the Nation on International Trade *June 13, 1987*

My fellow Americans:

Tomorrow is Flag Day, the anniversary of the first official American flag. Nancy and I hope that you'll join us and millions of other Americans tomorrow evening at 7 p.m. eastern daylight time as we participate in the annual "Pause for the Pledge." The 31 words of the Pledge of Allegiance to our flag takes only a moment to recite, yet their meaning reaches across the many decades of our history as a free people.

Now, to turn for a moment to the trip abroad that we just completed. Monday evening, in a televised address from the Oval Office, I'll present to the Nation a full report on the Venice economic summit. I'll also speak about a matter of world importance: the just-ended meeting in Reykjavik, Iceland, of Secretary of State George Shultz and his counterparts from the countries that make up the NATO alliance. Secretary Shultz and the NATO foreign ministers reached a crucial consensus on our arms reduction proposals that could move us closer to an historic agreement, bringing about for the first time real and equitable reductions in U.S. and Soviet nuclear arms. And it is NATO's firmness and unity that made this possible.

For now, though, I'd like to talk with you

about a matter that played a central role in the Venice summit: world trade. We in the United States hear much these days about balances and imbalances of world trade, about the whole question of how competitive our country is with the rest of the world. Congress in particular is paying a great deal of attention to this issue, and there are those on Capitol Hill who seem to think we can somehow make America more prosperous by putting up barriers and imposing tariffs—that is, by not even trying to compete with the rest of the world.

Now, I don't doubt for a moment that when it comes to world trade our country could improve in a number of ways, and in just a minute, I'll speak about that. But first, it's terribly important for the American people and those in Congress to understand one fact: Despite the impressions you may have received, our economy is outperforming those of our trading partners. For example, consider these figures: In the 1970's Japan did consistently better than the United States in terms of real economic growth, but since late 1982, America's real economic growth has averaged 4 percent a year, about the same rate as that of Japan and a much better performance than that in Europe.

One measure of how an economy is doing is how well it creates new jobs, and by this standard the United States wins the world contest, hands down. Just since late 1982, our country has created more than 13½ million new jobs—more than the number of jobs created during the past decade by Japan and Europe combined. Growth in the United States is more sustainable now than it was in the 1970's, because today our economic growth is much less inflationary. Indeed, the month our administration first took office, inflation was running at 12 percent, but since 1982 our country has averaged a rate of inflation of less than 4 percent.

One final fact—our economic growth has prompted and sustained economic growth throughout the world. Without America's economic recovery, now into its 54th consecutive month, most of the rest of the world, and especially the export economies of Europe and Asia, would have grown considerably less. This means that we're already doing something right, that because of our policies of low taxes and deregulation the world economy is better off and America is already becoming more and more competitive.

We can do better, and we're working hard to remove foreign barriers to trade. When Japan failed to enforce an agreement on semiconductors, I imposed economic sanctions. The Japanese started showing positive movement in one area, and I was able to lift a proportional share of the sanctions. But it was a clear lesson for all who trade with our country: This administration will insist upon trade that is both free and fair. When we impose sanctions, we do so only so that trade can expand trade.

We want to work with Congress on a competitiveness package that will complement these efforts. For Congress to place severe restrictions on international trade with tariffs and barriers and to limit my ability to utilize our trade laws when necessary, would damage our own prosperity and that of virtually the entire world. I urge Congress to bear this in mind. As major trade legislation comes to the floor, the United States is already becoming more competitive. Now, it's up to Congress to show that it understands economic reality.

Until next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from the Oval Office at the White House.

Proclamation 5667—Baltic Freedom Day, 1987

June 13, 1987

*By the President of the United States
of America*

A Proclamation

Historians of the 20th century will chronicle many a tragedy for mankind—world wars, the rise of Communist and Nazi totalitarianism, genocide, military occupation, mass deportations, attempts to destroy cultural and ethnic heritage, and denials of human rights and especially freedom of worship and freedom of conscience. The historians will also record that every one of these tragedies befell the brave citizens of the illegally occupied Republics of Estonia, Latvia, and Lithuania. Each year, on Baltic Freedom Day, we pause to express our

heartfelt solidarity with these courageous people who continue to prove that, despite all, their spirit remains free and unconquered.

On June 14, 1940, the Soviet Union, in contravention of international law and with the collusion of the Nazis under the infamous Ribbentrop-Molotov Non-Aggression Pact, invaded the three independent Baltic Republics. The imprisonment, deportation, and murder of close to 100,000 Baltic people followed. Later, during the Nazi-Soviet war, the Nazis attacked through the Baltic nations and established a Gestapo-run civil administration. By the end of World War II, the Baltic states had lost 20 percent

of their population; and between 1944 and 1949, some 600,000 people were deported to Siberia.

Totalitarian persecution of the Balts, this time once again under Communism, has continued ever since. While enduring decades of Soviet repression and ruthless disregard for human rights, the Baltic people have continued their noble and peaceful quest for independence, liberty, and human dignity.

This year marks the 65th anniversary of the *de jure* recognition by the United States of the Baltic Republics. The United States Government has never recognized, nor will we, the Soviet Union's illegal and forcible incorporation of the Baltic states. The United States staunchly defends the right of Lithuania, Latvia, and Estonia to exist as independent countries. We will continue to use every opportunity to impress upon the Soviet Union our support for the Baltic nations' right to national independence and to their right to again determine their own destiny free of foreign domination.

Observance of Baltic Freedom Day is vital for everyone who cherishes freedom and the inalienable rights God grants to all men alike; who recognizes that regimes denying those rights are illegitimate; who

sees, shares, and salutes the Baltic peoples' hope, endurance, and love of liberty.

The Congress of the United States, by Senate Joint Resolution 5, has designated June 14, 1987, as "Baltic Freedom Day" and authorized and requested the President to issue a proclamation in observance of this event.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim June 14, 1987, as Baltic Freedom Day. I call upon the people of the United States to observe this day with appropriate remembrances and ceremonies and to reaffirm their commitment to the principles of liberty and self-determination for all peoples.

In Witness Whereof, I have hereunto set my hand this thirteenth day of June, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 4:33 p.m., June 15, 1987]

Note: The proclamation was released by the Office of the Press Secretary on June 15.

Nomination of Lawrence J. Siskind To Be a Special Counsel at the Department of Justice

June 15, 1987

The President today announced his intention to nominate Lawrence J. Siskind to be Special Counsel for Immigration-Related Unfair Employment Practices at the Department of Justice for a term of 4 years. This is a new position.

Mr. Siskind is currently a partner with Cooper, White and Cooper in San Francis-

co, CA. Prior to this he served as an associate with McCutchen, Doyle, Brown & Enersen, 1979-1981.

Mr. Siskind graduated from Harvard College (B.A., 1974) and Harvard Law School (J.D., 1978). He was born July 4, 1952, in Swampscott, MA. Mr. Siskind is married, has one child, and resides in Piedmont, CA.

Accordance of the Personal Rank of Ambassador to Nicolas M. Salgo While Serving as Chief of the United States Delegation for Property Negotiations With the German Democratic Republic

June 15, 1987

The President today announced his intention to accord Nicolas M. Salgo the personal rank of Ambassador in his capacity as Chief of the United States Negotiating Team for Property Negotiations with the German Democratic Republic.

Mr. Salgo was a trainee and export manager with Manfred Weiss Co., in Budapest, Hungary from 1933 to 1938, and in Geneva, Switzerland, 1938–1939. He was partner and director of Salvaj and Cie in Geneva from 1939 to 1948. Mr. Salgo became owner and president of Indeco Corp., Coal Credit Corp., and Salvaj and Co., in New York City, 1948–1950. He was executive vice president of Webb and Knapp, Inc., in New York City, 1950–1957, and president and chief executive officer of the Norbute Corp., Butte, MT, 1954–1960. He was founder and owner of Nicolas Salgo and Co., New York City, 1959–1983. From

1960 to 1974, he was vice chairman and chairman of Bangor Punta Corp. and subsidiaries, Greenwich, CT. He was co-owner and president of the ZX Ranch, Paisley, OR, 1966–1980. Mr. Salgo was founder and limited partner, Watergate Improvement Associates, Washington, DC, 1960–1977, and served as chairman of the Watergate Companies, 1977–1983. He was a consultant to the United States Information Agency, 1982–1983, and a member of the international private enterprise task force. Mr. Salgo was appointed Ambassador to Hungary on October 7, 1983, and served in Budapest until the end of 1986.

Mr. Salgo graduated from the University of Budapest (LL.D., and Ph.D., 1937). He was born August 17, 1914, in Budapest, Hungary, and is articulate in Hungarian, French, and German. Mr. Salgo is married and has two children.

Nomination of Five Members of the Advisory Commission on Intergovernmental Relations

June 15, 1987

The President today announced his intention to nominate the following individuals to be members of the Advisory Commission on Intergovernmental Relations for terms of two years:

Donald M. Fraser, of Minnesota. He would succeed Ferd E. Harrison. Since 1980 Mr. Fraser has been serving as the mayor of Minneapolis, MN. Prior to this he served in the U.S. House of Representatives, 1963–1978. Mr. Fraser graduated from the University of Minnesota (B.A., 1944; and LL.B., 1948). He served in the U.S. Navy during World War II. Mr. Fraser was born February 2, 1924, in Minneapolis, MN. He is married and currently resides in Minneapolis.

William H. Hudnut III, of Indiana. This is a reappointment. Since 1975 Mr. Hudnut has been

the mayor of Indianapolis, IN. Prior to this he served in the U.S. House of Representatives, 1973–1975. Mr. Hudnut graduated from Princeton University (B.A., 1954) and Union Theological Seminary (Masters in Divinity, 1957). He was born October 17, 1932, in Cincinnati, OH. Mr. Hudnut is married, has five children, and resides in Indianapolis, IN.

Robert Michael Isaac, of Colorado. He would succeed Robert Martinez. Since 1979 Mr. Isaac has been the mayor of the city of Colorado Springs, CO. Prior to this he served as a municipal judge, 1966–1969. Mr. Isaac graduated from the U.S. Military Academy (B.S., 1951) and the University of Southern California (J.D., 1962). He served in the U.S. Army, 1946–1947. Mr. Isaac was born January 27, 1928, in Colorado Springs, CO, and currently resides in Colorado Springs.

Gwendolyn S. King, of Maryland. She would succeed Mitchell E. Daniels, Jr. Since 1986 Mrs. King has served as Deputy Assistant to the President and Director of Intergovernmental Affairs at the White House. Prior to this she was director of the Governor's Washington, DC, office for the State of Pennsylvania, 1976–1986. Mrs. King was born September 23, 1940, in East Orange, NJ. She graduated from Howard University (B.A., 1962). Mrs. King is married, has three children, and resides in Rockville, MD.

David E. Nething, of North Dakota. This is a reappointment. Since 1974 Mr. Nething has been the majority leader of the North Dakota State Senate. He has been in the State Senate since 1966. Mr. Nething graduated from Jamestown College (B.A., 1956) and the University of North Dakota (J.D., 1963). He served in the U.S. Army, 1951–1952. Mr. Nething was born June 29, 1933, in Valley City, ND. He is married, has three children, and resides in Jamestown, ND.

Appointment of Dennis F. Mullins as a Member of the Advisory Council on Historic Preservation

June 15, 1987

The President today announced his intention to appoint Dennis F. Mullins to be a member of the Advisory Council on Historic Preservation for a term expiring June 10, 1991. He would succeed Roger Alan DeWeese.

Mr. Mullins is currently an attorney with Jones, Day, Reavis & Pogue law firm in Los Angeles, CA. Prior to this he served as

Deputy Assistant Attorney General in the Office of Legal Policy at the Department of Justice, 1983–1985.

Mr. Mullins graduated from the University of California at Davis (B.A., 1974) and the University of Michigan (J.D., 1978). He was born July 9, 1952, in Oakland, CA. Mr. Mullins currently resides in Manhattan Beach, CA.

Appointment of Two Members of the Advisory Committee for Trade Negotiations

June 15, 1987

The President today announced his intention to appoint the following individuals to be members of the Advisory Committee for Trade Negotiations for terms of two years:

Robert H. Beeby, of Connecticut. He would succeed Tatiana Brandt Copeland. Mr. Beeby is currently president and chief executive officer of Pepsi-Cola International in Somers, NY. Prior to this he served as the senior vice president of Frito-Lay Snack Food Co., from 1972 to 1983. Mr. Beeby graduated from Beloit College (B.A., 1953) and Northwestern University (M.B.A., 1959). He served in the U.S. Navy during the Korean War. Mr. Beeby was born

January 11, 1932, in Peoria, IL. He is married, has two children, and resides in Greens Farms, CT.

L.R. Pugh, of Pennsylvania. He would succeed Thomas N. Tripp. Mr. Pugh is currently chairman and chief executive officer of Vanity Fair Corp., in Wyomissing, PA. Prior to this he served as president of Vanity Fair Corp., from 1980 to 1983. Mr. Pugh graduated from Colby College (B.A., 1956). He served in the U.S. Army for 2 years. Mr. Pugh was born January 22, 1933, in White Plains, NY. He is married, has two children, and resides in Wyomissing Park, PA.

Appointment of James C. MacFarland as a Member of the Committee for Purchase From the Blind and Other Severely Handicapped

June 15, 1987

The President today announced his intention to appoint James C. MacFarland to be a member of the Committee for Purchase from the Blind and Other Severely Handicapped for a term expiring December 21, 1991. He would succeed Martin A. Adler.

Mr. MacFarland, who is retired, served on the National Industries for the Blind

from 1968 to 1984.

He attended the University of Maryland and Greenbrier College. Mr. MacFarland served in the U.S. Army from 1941 to 1968. He was born December 19, 1919, in Charleston, WV. Mr. MacFarland is married, has three children, and resides in Somerville, SC.

Nomination of Charles M. Lichenstein To Be a Member of the Board of Directors of the Corporation for Public Broadcasting

June 15, 1987

The President today announced his intention to nominate Charles M. Lichenstein to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1992. He would succeed Sharon P. Rockefeller.

Mr. Lichenstein is currently a senior fellow of international relations at the Her-

itage Foundation. Prior to this he served as an Alternate United States Representative to the United Nations, 1981-1984.

Mr. Lichenstein graduated from Yale University (B.A., 1948; M.A., 1950). He was born September 20, 1926, in Albany, NY, and currently resides in Washington, DC.

Appointment of Robert E. Merriam as a Member of the Dwight David Eisenhower Centennial Commission

June 15, 1987

The President today announced his intention to appoint Robert E. Merriam to be a member of the Dwight David Eisenhower Centennial Commission. This is a new position.

Since 1977 Mr. Merriam has been a partner of Alexander Proudfoot in Chicago, IL. Since 1971 he has served as chairman of the

board of MGA Technologies, Inc.

Mr. Merriam graduated from the University of Chicago (M.A., 1940). He served in the U.S. Army, 1942-1946. Mr. Merriam was born October 2, 1918, in Chicago, IL. He is married, has three children, and resides in Chicago, IL.

Nomination of Simon C. Fireman To Be a Member of the Board of Directors of the Export-Import Bank of the United States

June 15, 1987

The President today announced his intention to nominate Simon C. Fireman to be a member of the Board of Directors of the Export-Import Bank of the United States for a term expiring January 20, 1991. This is a reappointment.

Mr. Fireman is currently a member of the Board of Directors of the Export-Import

Bank in Washington, DC. Prior to this he served as president of the Aqua-Leisure Industries, Inc., 1970–1986. He was in the United States Army, 1943–1946.

He was born September 10, 1925, in Boston, MA. Mr. Fireman is married, has three children, and resides in Washington, DC.

Nomination of Two Members of the Federal Election Commission

June 15, 1987

The President today announced his intention to nominate the following individuals to be members of the Federal Election Commission for terms expiring April 30, 1993:

Lee Ann Elliott, of Illinois. This is a reappointment. Since 1981 Mrs. Elliott has been a Commissioner on the Federal Election Commission in Washington, DC. Prior to this she served as the vice president of Bishop, Bryant & Associates, 1979–1981. Mrs. Elliott graduated from the University of Illinois (B.A., 1949). She was born June 26, 1927, in St. Louis, MO. Mrs.

Elliott is married, has one child, and resides in Arlington, VA.

Danny Lee McDonald, of Oklahoma. This is a reappointment. Mr. McDonald is currently a Commissioner on the Federal Election Commission in Washington, DC. Prior to this he served as general administrator of the Oklahoma Corporations Commission, 1979–1981. Mr. McDonald graduated from Oklahoma State University (B.A., 1971). He served in the National Guard from 1968 to 1971. Mr. McDonald was born August 26, 1946, in Tulsa, OK. He is married, has one child, and resides in Alexandria, VA.

Appointment of Two Members of the National Afro-American History and Culture Commission

June 15, 1987

The President today announced his intention to appoint the following individuals to be members of the National Afro-American History and Culture Commission for terms expiring January 18, 1991:

Aletha Odom-Foxworth, of Florida. This is a reappointment. Mrs. Odom-Foxworth is currently a small business specialist for City Venture Corp., in Miami, FL. Prior to this she served as head of the science department in the American Senior High School, 1976–1981. Mrs. Odom-Foxworth graduated from Bethune-Cookman

College (B.A., 1961); Fisk University (M.A., 1964); and the University of Miami (M.B.A., 1976). She was born April 27, 1939, in Miami, FL. Mrs. Odom-Foxworth is married and resides in Miami.

Dorothy P. Parker, of Virginia. This is a reappointment. Ms. Parker is currently a special assistant in the Office of Hearings and Appeals at the Social Security Administration in Arlington, VA. Prior to this she served as Special Assistant to the Director in the Office of Bilingual Education and Minority Languages Affairs at the Department of Education, February

1986–October 1986. Ms. Parker graduated from George Peabody College (Ed.D., 1981); Temple University (Ed.M., 1970); and Cheyney

State University (B.S., 1964). She was born January 28, 1933, in Philadelphia, PA. Ms. Parker currently resides in Alexandria, VA.

Appointment of Two Members of the President's Committee on the Arts and the Humanities

June 15, 1987

The President today announced his intention to appoint the following individuals to be members of the President's Committee on the Arts and the Humanities. These are new positions.

Bill Blass, of New York. Mr. Blass is sole owner and president of Bill Blass Ltd. Since 1979 he has served on the executive board of the Council of Fashion Designers of America. From 1979 to 1981, Mr. Blass served as the council's president and is currently its vice president. Mr. Blass is also a member of the board of trustees of the New York Public Library. Mr.

Blass served in the United States Army in World War II. He was born June 22, 1922, in Ft. Wayne, IN. Mr. Blass currently resides in New York, NY.

Betsy Bloomingdale, of California. Mrs. Bloomingdale is active in civic and charity work. She is on the visiting committee of the Costume Council of the Metropolitan Museum of Art in New York City and Friends of Art & Preservation in Embassies in Washington, DC. Mrs. Bloomingdale attended Bennett College. She was born in Los Angeles, CA. Mrs. Bloomingdale has three children and currently resides in Los Angeles, CA.

Appointment of Three Members of the President's Committee on Mental Retardation

June 15, 1987

The President today announced his intention to appoint the following individuals to be members of the President's Committee on Mental Retardation for terms expiring May 11, 1990:

Patricia A. Caggiano, of New York. She would succeed Lee A. Christoferson. Ms. Caggiano is presently founder and president of the Precious Hearts Association for Exceptional Adults, Inc., in Brooklyn, NY. She is also an international export agent with Emery Air Freight Corp., a position she has held since 1979. Ms. Caggiano attended Kingsborough Community College. She was born January 18, 1945, in Brooklyn, NY, where she currently resides.

Jack T. Dulworth, of Texas. He would succeed Jerry P. Larson. Mr. Dulworth is chairman of the board of the Management Compensation Group/Dulworth, Inc., in Houston, TX. He is a member of the board for the Harris County

Center for the Retarded and the Foundation Center for the Retarded. Mr. Dulworth graduated from Michigan State University (B.A., 1951). He served in the United States Army from 1944 to 1946 for which he received the Combat Infantry Badge and the Purple Heart. He was born February 3, 1926, in Jackson, MI. He is married, has six children, and resides in Houston, TX.

Alexander L. Napolitano, of Wisconsin. He would succeed Anne C. Seggerman. Since 1975 Mr. Napolitano has been executive director of the Bethesda Lutheran Home in Watertown, WI. Prior to this he was hospital administrator for High Ridge Hospitals in Racine, WI. Mr. Napolitano graduated from Fairleigh Dickinson University (B.S., 1959) and George Washington University (M.B.A., 1964). He served in the United States Air Force from 1951 to 1955. Mr. Napolitano was born June 23, 1932, in Binghamton, NY. He is married, has two children, and resides in Watertown, WI.

Appointment of Seven Members of the President's Commission on Compensation of Career Federal Executives, and Designation of the Chairman

June 15, 1987

The President today announced his intention to appoint the following individuals to be members of the President's Commission on Compensation of Career Federal Executives. These are new positions.

Ann McLaughlin, of the District of Columbia.

Upon appointment, Mrs. McLaughlin will be designated Chairman. Mrs. McLaughlin was recently elected to be a member of the board of directors of Union Camp Corp. Prior to this she served as Under Secretary at the U.S. Department of the Interior, 1984-1987. Mrs. McLaughlin graduated from Marymount College (B.A., 1963). She was born November 16, 1941, in Chatham, NJ. Mrs. McLaughlin is married and resides in the District of Columbia.

Jonna Lynne Cullen, of Mississippi. Since 1983

Ms. Cullen has been president of J.L. Associates in Alexandria, VA. Prior to this she was Assistant Director of Legislative Affairs in the Office of Management and Budget, 1981-1983. Ms. Cullen attended the University of Mississippi. She was born October 10, 1941, in Memphis, TN, and currently resides in Alexandria, VA.

J. Michael Farrell, of the District of Columbia.

Since 1985 Mr. Farrell has been General Counsel for the U.S. Department of Energy. Prior to this he was counsel to the law firm of Glynn & Graham, 1983-1985. Mr. Farrell graduated from Georgetown University (B.S., B.A., 1963; J.D., 1966). He was born March 30, 1941, in Washington, DC. Mr. Farrell is married, has three children, and resides in Washington, DC.

H. Lawrence Garrett III, of Virginia. Mr. Garrett

is currently General Counsel at the Department of Defense and Under Secretary of the Navy-designate. Prior to this he was Associate Counsel to the President at the White House, 1983-1986. Mr. Garrett graduated from the University of West Florida (B.S., 1969) and the

University of San Diego (J.D., 1972). He served in the United States Navy from 1961 to 1981. Mr. Garrett was born June 24, 1939, in Washington, DC. He is married, has two children, and resides in Fairfax, VA.

William R. Graham, of California. Since 1986

Mr. Graham has served as Science Advisor to the President and Director of the Office of Science and Technology Policy at the White House. Prior to this he was Deputy Administrator of the National Aeronautics and Space Administration, 1985-1986. Mr. Graham graduated from the California Institute of Technology (B.S., 1959) and Stanford University (M.S., 1961; Ph.D., 1963). He served in the United States Air Force from 1962 to 1965. He was born June 15, 1937, in San Antonio, TX. Mr. Graham is married, has two children, and resides in McLean, VA.

Janet L. Norwood, of Maryland. Since 1979 Mrs.

Norwood has been Commissioner of the Bureau of Labor Statistics at the Department of Labor. Prior to this she was Acting Commissioner at the Bureau of Labor Statistics, 1978-1979. Mrs. Norwood graduated from Douglass College (B.A., 1945) and Tufts University (M.A., 1946; Ph.D., 1949). She was born December 11, 1923, in Newark, NJ. Mrs. Norwood is married, has two children, and resides in Bethesda, MD.

Julie A. Sackett, of Illinois. Mrs. Sackett is currently vice president and group director of

personnel, government electronics group at Motorola, Inc., in Scottsdale, AZ. Prior to this she was vice president and director of personnel services for the semiconductor sector, Motorola, Inc., 1985-1987. Mrs. Sackett graduated from the University of Chicago (M.B.A., 1978). She was born July 11, 1943, in Scappoose, OR. Mrs. Sackett has one child and resides in Scottsdale, AZ.

Designation of Two United States Representatives on the Panama Canal Consultative Committee

June 15, 1987

The President today announced his intention to designate the following individuals to be representatives of the United States of America on the consultative committee established by the Panama Canal Treaty of 1977.

Joel Pritchard, of Washington. He would succeed Harold R. Parfitt. Mr. Pritchard is currently the director of government relations at Bogel and Gates in Washington, DC. Prior to this he served in the U.S. House of Representatives from 1972 to 1984. Mr. Pritchard attended Marietta College from 1946 to 1948. He served in the U.S. Army from 1944 to 1946. Mr.

Pritchard was born May 5, 1925, in Seattle, WA. He is married, has four children, and resides in Seattle, WA.

W. Henson Moore, of Louisiana. He would succeed Thomas M. Constant. Mr. Moore is currently a partner in Southerland, Asbill and Brennan in Washington, DC. Prior to this he served in the U.S. House of Representatives from 1975 to 1987. Mr. Moore graduated from Louisiana State University, (B.A., 1961; J.D., 1965; and M.A., 1973). He served in the U.S. Army from 1965 to 1967. He was born October 4, 1939, in Lake Charles, LA. Mr. Moore is married, has three children, and resides in Baton Rouge, LA.

Proclamation 5668—United States Department of Agriculture 125th Anniversary Year, 1987

June 15, 1987

By the President of the United States of America

A Proclamation

When President Abraham Lincoln signed the legislation establishing the United States Department of Agriculture on May 15, 1862, he created an institution whose impact has been felt in every corner of our land and on every continent. During the past century and a quarter, the Department of Agriculture has forged a partnership with farmers that has given the American people a high-quality, wholesome, safe, and affordable food supply unequalled anywhere.

Through its many research activities, the Department of Agriculture has helped farmers in our Nation and elsewhere achieve truly incredible gains in production yields and quality. The Department has also greatly aided the agriculture industry and all Americans by preventing the introduction of pests and diseases across our borders and by investing resources and technology to preserve our soil and water supplies. The Department has also helped give the Amer-

ican people the opportunity to receive nutritionally balanced meals.

When the first Commissioner of Agriculture, Isaac Newton, prepared his initial annual report to President Lincoln, he wrote: "I hardly deem it necessary to attempt to convince our intelligent countrymen of the vast importance of such a department, inasmuch as whatever improves the condition and character of the farmer feeds the lifespings of national character, wealth, and power." We can all be grateful that the United States Department of Agriculture continues its vital mission today.

In recognition of the outstanding contributions of the Department of Agriculture, the Congress, by Public Law 100-46, has authorized and requested the President to issue a proclamation commemorating the 125th anniversary of the Department.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby commemorate the 125th anniversary year of the United States Department of Agriculture. I urge all Americans to commemorate this anniversary with appropriate

ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this fifteenth day of June, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hun-

dred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 12:38 p.m., June 16, 1987]

Designation of John W. Bode as a Member of the Board of Directors of the Rural Telephone Bank

June 15, 1987

The President today announced his intention to designate John W. Bode, an Assistant Secretary of Agriculture, to be a member of the Board of Directors of the Rural Telephone Bank, Department of Agriculture. He would succeed Kathleen Lawrence.

Since July 1985 he has been Assistant Secretary for Food and Consumer Services, United States Department of Agriculture. Prior to this Mr. Bode was Deputy Assistant Secretary for Food and Consumer Services,

U.S. Department of Agriculture, 1981–1985; and a staff member, United States Senate, Committee on Agriculture, Nutrition, and Forestry, 1979–1981.

Mr. Bode graduated from the University of Oklahoma, Norman, OK (B.A., 1977) and George Mason University School of Law (J.D., 1983). He was born January 24, 1955, in Oklahoma City, OK. Mr. Bode is married, has one child, and resides in Alexandria, VA.

Address to the Nation on the Venice Economic Summit, Arms Control, and the Deficit

June 15, 1987

I've just returned from Venice, Italy, where I met with the leaders of the other six industrialized democracies for our yearly economic summit. You've been hearing and reading reports that nothing was really accomplished at the summit and the United States, in particular, came home empty-handed. Well, this was my seventh summit and the seventh time I've heard that same chorus. You know—it might be appropriate—a noted bullfighter wrote a poem, a few lines of which do seem appropriate: "The bullfight critics ranked in rows fill the enormous plaza full. But only one is there who really knows, and he's the one who fights the bull."

The truth is we came home from this summit with everything we'd hoped to accomplish. And tonight I want to report to you on decisions made there that directly

affect you and your children's economic future. I also have a special message, one that's about our own economy, about actions that could jeopardize the kind of progress we made toward economic health last week in Venice as well as the prosperity that, during the last 6 years, all of us here in America have worked so hard to achieve.

But before beginning, I must make a personal note about something we saw on the last day of our journey when we stopped in Berlin to help celebrate the 750th anniversary of that noble city. I know that over the years many of you've seen the pictures and news clips of the wall that divides Berlin. But believe me, no American who sees firsthand the concrete and mortar, the guardposts and machinegun towers, the dog runs

and the barbed wire can ever again take for granted his or her freedom or the precious gift that is America. That gift of freedom is actually the birthright of all humanity; and that's why, as I stood there, I urged the Soviet leader, Mr. Gorbachev, to send a new signal of openness to the world by tearing down that wall.

Now, I can tell you tonight that this year's economic summit in Venice was not only successful on a number of specific issues but that the spirit of consensus shown by world leaders there was particularly strong. I'm sure you remember that back in 1981, the year I attended my first summit, our own economy, as well as the global economy, was then in grave danger. We had inflation running at 10 percent or more in industrialized countries, not to mention high interest rates, excessive tax burdens, and too much government regulation and interference. Worse than all of this, there was virtually no agreement among world leaders on how to deal with this looming crisis.

Well, in the intervening years, we've made progress. With the American economy leading the way, we started an international movement toward more economic growth and greater individual opportunity by lowering taxes and cutting government regulation. We brought down interest rates, cut inflation, reduced unemployment, and confounded the experts by showing that economic growth could be sustained not just for 1 or 2 years, but steadily for more than 4 years. And last week in Venice, I saw overwhelming evidence that this consensus for less government and more personal freedom continues to grow throughout the world. Indeed, part of our official discussions were about how to encourage economic development in the less-affluent nations of the world and help the millions of people in developing nations achieve higher standards of living and more productive economies.

And let's remember that this international movement toward economic freedom has made a very real difference in the daily lives of each of us here in America. All of us can remember only a few years ago when government taxation was consuming more and more of the take-home pay of Ameri-

can workers at the very moment that double-digit inflation was eating up savings and becoming a special burden on the poor and the elderly. Today, in contrast, we are now in our 54th month of economic growth. Real family income is growing while poverty's been declining. And we've been creating an astonishing 250,000 new jobs a month in this nation; that adds up to over 13 million jobs in a little over 4 years. Obviously, keeping this kind of progress going on at home was very much on my mind in Venice, and that's why I was pleased with many of the decisions we made there. In addition to reaffirming the broad consensus for economic growth, we agreed to continue working against trade barriers, like high tariffs, that over the long run shrink world markets, stop growth, and reduce the number of new jobs.

In the area of agricultural subsidies as well, we made significant progress. You know, I've been saying for some while now it's time to get speculators who merely want to take advantage of government subsidies out of the agricultural business and give farming back to the farmers. I think it's notable that so many American farmers today would like to see agriculture in the United States and abroad return to the free market basis. They know government subsidies in other countries are causing a worldwide glut of farm products and a shrinking market for American goods. Our aim should be to eliminate farm subsidies by the year 2000, and I will continue to press for this commitment.

But it was a real step forward to get this issue on the summit agenda, and I think the fact our urgings were heeded indicates the kind of responsiveness our summit partners showed towards American concerns. They know how much we rely on each other; and they're aware of how much their own future depends on what we do here in the United States, how important keeping America economically sound and strong is to them. They know, too, that the economic progress we've made together has enabled the democracies to rebuild their defenses, keep peace in the world, and strengthen our alliances.

I was particularly gratified, for example,

for the support our allies gave to our Persian Gulf policy; it was extended without hesitation. Our allies know the strategic value of this area and are hard at work there for the same purposes as our own. In fact, Great Britain has committed a higher proportion of its fleet to the Gulf than we have and since January has provided protection to over 100 U.K. flag vessels. France, too, has committed naval strength to the Gulf. Germany and Japan, while they can't constitutionally deploy military forces, are also working actively to seek other ways to be helpful.

Our own role in the Gulf is vital; it is to protect our interests and to help our friends in the region protect theirs. Our immediate task in the Gulf is clear and should not be exaggerated. It is to escort U.S. flag vessels, a traditional role for the Navy and one which it has carried out in the Gulf as well as in other areas.

Most recently there's been some controversy about 11 new U.S. flag vessels that've been added to our merchant fleet. Let there be no misunderstanding: We will accept our responsibility for these vessels in the face of threats by Iran or anyone else. If we fail to do so simply because these ships previously flew the flag of another country, Kuwait, we would abdicate our role as a naval power, and we would open opportunities for the Soviets to move into this chokepoint of the free world's oil flow. In a word: If we don't do the job, the Soviets will. And that will jeopardize our own national security as well as our allies.

Our current dealings with the Soviet Union were also discussed in Venice, and I think every American can be gratified by the sense of unity and support our allies expressed. As most of you know, we're currently engaged in highly sensitive negotiations with the Soviets that could lead to an historic arms reduction treaty on intermediate-range missiles, or as we say—INF. This matter was also discussed last week with the NATO foreign ministers in Iceland. I have received Secretary Shultz' report on his NATO meeting, and I'm pleased to tell you that we and our allies have reached full consensus on our negotiating position.

Six years ago the United States proposed a step called the zero option, the complete

elimination of U.S. and Soviet land-based, longer range INF missiles. At the time, many labeled it ridiculous and suggested the Soviets would never accept it. Well, we remained determined, and this year the Soviets adopted a similar position. So, tonight I can tell you that, with the support of our allies, the United States will also formally propose to the Soviet Union the global elimination of all U.S. and Soviet land-based, shorter range INF missiles, along with the deep reductions in—and we hope the ultimate elimination of—longer range INF missiles. I am now directing our INF negotiator to present this new proposal to the Soviet Union as an integral element of the INF treaty, which the United States has already put forward in Geneva. And as we and our allies pursue this historic opportunity, let's keep in mind the favorite word of a great lawmaker and great member of the Democratic Party, the late Senator Scoop Jackson: that word is "bipartisanship." For it's only with the support of Congress, as well as the help of our allies, that we will be able to accomplish those historic arms reductions.

There was also strong agreement in Venice on the importance of pressing the Soviet Union for progress on other important arms negotiations, such as our effort to cut 50 percent in strategic forces. So, too, we were agreed on the need for Soviet progress in the human rights area as well as regional conflicts, especially Afghanistan. And while we welcomed the new expressions of openness from the Soviets, we said it's time to see if their actions are as forthcoming.

But while I can report to you tonight that our work on these issues in Venice was productive, honesty compels me to tell you about one disturbing topic in our discussion there, and that was the continuing threat of deficit spending. Frankly, I have to tell you, too, that I felt among the other six summit leaders a sense of unease about America's commitment to a consistent, enforceable plan to reduce our deficits. In no sense was the concern voiced by these leaders intrusive or offensive. It's just that they realize how interdependent all of our economies are, and they know a weakened American

economy is a threat to their continued growth.

I share their concern. Don't mistake me; all of us who take pride in our economic achievements know the efforts we've made on deficit spending. In 1983 deficit spending was a full 6.3 percent of our gross national product. Today that figure stands at 3.9 percent, nearly a 40-percent decline in just 4 years. This year, too, our deficit is programmed to be cut by nearly \$48 billion, a more than 20-percent reduction. This reduction itself is a result of much hard work; hard work that took place when a few years ago, under the prodding of many of us who were fighting for fiscal restraint, the Congress got together and adopted a plan called Gramm-Rudman-Hollings that established a program for gradually reducing our deficits and eventually balancing the budget.

So all of this is good news—or at least it has been. You see, in the critical matchup between those who want to keep spending your money and raising your taxes and those of us who resist a return to the old policies of tax and tax, spend and spend, we have now reached breakpoint. That's why I've made a personal decision to do something no President should ever hesitate to do when he must, and that's go to you, the American people, and put the facts before you.

The congressional budget process, supposedly overhauled in 1974 and again in 1985, isn't working. Months ago I sent the Congress a responsible budget that met this year's deficit targets while it provided for our national security needs, added funds for critical domestic concerns, such as AIDS and air safety, and kept the appetite for Federal spending under control. But instead of acting on it, Congress ignored that budget and is considering a plan that in terms of our gross national product sharply reduces defense spending over the next few years back to the dangerous levels of the late 1970's, a plan that also cripples our security assistance and economic cooperation efforts overseas. And what's happened to that restraint on wasteful domestic spending solemnly promised under Gramm-Rudman-Hollings? It vanished. And to pay for this lapse of faith, you, the taxpayers,

are going to be saddled with an approximately \$100 billion bill over the next 4 years.

If this trend isn't stopped, and stopped now, we stand to lose all the progress on the economic front that we've made. If our budget reduction efforts are not consistent and credible, we will be sending signals all over the world that the American economy is in trouble again. So, that's what the choice comes down to: more government, more taxation, more regulations, and a backsliding toward the old days of economic inflation and stagnation or, on the other hand, additional growth, greater opportunity, adequate national security, and more for the family budget, not the Federal budget. The choice is now upon each of us. As I've said, we've reached breakpoint, decision time.

So, here's what we need to do. First, together with the Congress, we must reform the budget process, to stop all the delays and missed deadlines and broken commitments. We can start by getting the Congress to vote yes or no, up or down, on an amendment to the Constitution that will bring an end to deficit spending once and for all, an amendment that will mandate under the law a balanced budget.

Second, I need your immediate help in pressing your representatives in the Congress to agree to a responsible deficit reduction package and to stay with it. I pledge to you I'll use my veto power to stop big spending bills which exceed the Gramm-Rudman-Hollings targets, but we need to go beyond that. You can be assured there are plenty in the Congress we can work with, and if you'll let them know how you feel, we can develop a budget consensus to hold spending down this year. Some are even talking about a budget summit. Well, we're ready to talk and consult at any time, but not if the objective is additional spending, more taxes, and less defense. What we want is less spending—period. And I think you do too.

And third, there's something else I hope you'll ask for: the line-item veto. The President should have what the Governors of 43 States use to stop this sort of fiscal nonsense, what I had in California when I was Gover-

nor there: the ability to reach into those huge expenditure bills and cut out the waste. It's time for action, and I urge the Congress to move ahead and come up with a package of reforms that will correct some of the glaring deficiencies of the current budget process.

In the meantime, I'm going to be stepping up my own public commitment to this cause. I'm going to take the case to you, the American people, because, believe me, if some in Congress won't see the light, I know you can make them feel the heat. In all of this, the stakes are high; nothing less than our economic future is at stake. So, tonight I ask your support. I ask your support, because I think Americans are increasingly aware that our constitutionally guaranteed right to vote, to assemble, to engage in free speech, and all the other forms of political freedom have their equally important economic counterparts: the right not to be too heavily burdened by big government, by excessive taxes, by skyrocketing inflation, and high interest rates; the right

to a future where you and your children can go just as far and reach just as high as your individual talents and energies will take you, a future rich in freedom, in opportunity, in growth—an economic bill of rights. I will be outlining the specifics in the next few weeks.

So, let's keep moving forward. All those important developments abroad that I mentioned earlier, the new strength of the democratic allies in the world, strength that will make your future and mine and that of our children a safe and a free one, will be jeopardized unless together we can act responsibly here at home. For that, I need your help. Over the weeks and months ahead, let us work to keep America economically strong so she can remain, as ever, the champion of peace and world freedom.

Good night, and God bless you.

Note: The President spoke at 8 p.m. from the Oval Office at the White House. His address was broadcast live on nationwide radio and television.

Remarks and a Question-and-Answer Session With Economic Reporters

June 16, 1987

The President. It's a pleasure to have you here today and a pleasure to have the opportunity to speak through you to the America that lies beyond the Potomac. I'm eager to get to your questions, but first let me just speak for a moment about three topics of vital importance.

Venice Economic Summit

First, the Venice summit. If I may, I'd like to highlight the accomplishments of this just-completed summit by harkening back for a moment to the first summit I attended, and that was in Ottawa, 1981. And I'm sure you'll recall when I left for that summit our own economy and that of virtually all the world stood in great danger. We had inflation running at 10 percent in the industrialized countries, not to mention high interest rates, excessive tax burdens,

and too much government regulation and interference. And perhaps worse, there was virtually no agreement among world leaders on how to deal with this crisis.

We've come a long way since then, and the American economy leading the way. We started an international movement toward lower taxes and less government interference, toward more economic growth and greater individual opportunity. And last week in Venice, I saw overwhelming evidence that this consensus for less government and more individual opportunity continues to grow throughout the world.

Regarding the sometimes difficult issue of world trade, we made substantial progress in Venice in terms of both the commitment to remove barriers to trade, to work toward removing agricultural subsidies, and of an equally strong commitment to coordinate

economic policies to remove some of the imbalances that have troubled the trading system in recent years. This represents further progress on the trade policy that I announced more than a year and a half ago—a policy that's beginning to turn our trade deficit around. This profound movement in recent years toward more limited government and freer trade has not only kept the global economy moving along at a steady pace, it's made it possible for the democratic nations to stand together and keep our defenses strong, while we promote the growth of democratic institutions in the world spread of freedom and peace.

Arms Control

This brings me to the second point I'd like to discuss: the vitally important matter of arms control or, more exactly and more importantly, arms reduction. As I said last night, with the support of our allies, the United States will also formally propose to the Soviet Union the global elimination of all U.S. and Soviet land-based, shorter range INF missiles, along with the deep reductions and, we hope, the ultimate elimination of longer range INF missiles. I am now directing our INF negotiator to present this new proposal to the Soviet Union as an integral element of the INF treaty which the United States has already put forward in Geneva.

Federal Budget

Finally, I'd like to address a matter that involves domestic politics, but that has worldwide implications—the Federal budget. As you know, I discussed the budget in my address on Monday night, last night—including the way in which an unreliable and inconsistent budget process here in the United States can damage the economy of the entire globe. So, for now let me just reduce to three simple sentences what the whole budget issue comes down to: Some in Congress want to bust the budget. I won't let them. And the American people won't either.

Thank you, and now I'd be happy to answer your questions. All right.

Q. Mr. President, Eric Chabrow of the Daily Record in New Jersey. Republican Representative Willis Gradison says that

budget reform is an attempt to correct a problem which is basically caused by policy disagreements, not process weakness. Also, House Budget Chairman William Gray says your appeal for budget reform is a smoke-screen to avoid dealing with the problems that your policy has created.

Two questions: First, it's not the problem of balancing the budget, it's disagreement over policy—you favoring no tax increases and more defense spending, while many in Congress oppose, I mean favor, tax increases. And also, how would you respond to critics that say the budget deficit is caused by a lack of leadership?

The President. Well, the need for budget reform is very evident to anyone who's ever been a Governor, as I was for 8 years. And looking at that, and knowing about the other States and the manner in which their budgets are presented, I don't think there's a State that would put up with as Mickey Mouse an affair as we have at the Federal level.

Now, for example, in the State of California the Governor presents the budget. Why is this done? And why is the President required to submit a budget if no one's going to pay any attention to it? Well, the chief executive officer is the head of all the heads of the departments who must run the programs that have been adopted by the legislatures and the Congress. They pass a program, and they say they want to achieve the following goals and so forth. Now, we sit around for long hours here, day after day, and over a period of months every year, in the Cabinet Room with the people who are going to have to run the programs passed by the Congress.

To say that a deficit is the responsibility of the President—the President can't spend a nickel. The programs are passed; the money is appropriated by Congress. But now the people that have to run the programs come in with the figures that they say they can achieve the goal of the program passed by Congress for the following amount. That's put together and finally sent up to the Congress. And the Congress—who don't have a thing to do with running the program, who aren't the managers of those programs, who don't know what the admin-

istrative problems are or anything—the Congress says: “Why, we’re not going to pay any attention to this; this is dead on arrival.”

And they then sit down and, without any knowledge or experience in running the programs, they set down the figures that they say should make up the budget. And when it comes back down, the President, in this case, has only one choice. He can veto the entire budget and the Government grinds to a halt and the checks stop going out—no one’s paid and so forth—or he can, as he has to, accept it.

Let me contrast that if I can and take a minute to tell you what happened when you were Governor of California. Same thing happened with the Governor presenting the budget. And it had to be a balanced budget within the figures that were projected for the revenues of the coming year by a combination of private individuals and public. And never, in 25 years, had that group ever missed by more than 1 percent on their estimate on what the revenues in the following year would be.

Now, the Governor sends the budget up. The legislature must approve it by a two-thirds majority. They can take out things that the Governor has put in. They can add in things of their own. Two-thirds majority passes it on, and as of a certain date—and they never can miss the date—it comes back to the Governor. The Governor cannot put back in anything they have taken out. But the Governor can line-item vetoes of those things they have put in. And then, if they feel strongly enough about it, by a two-thirds vote, they can override his veto.

In 8 years, I line-item vetoed 943 such items. And never once did the legislature that had passed those budgets by a two-thirds majority ever put a two-thirds majority together to override my veto. Why? Because they could vote for things that were buried—pork items buried in the whole budget. When they were revealed and stood out there all by themselves, and they had to vote for them, they couldn’t get two-thirds that would do it. This is what I say is why there just is no process here. We need, first of all, a constitutional amendment that—just like most of the States have—that

the Federal Government cannot deficit spend. And we need the line-item veto that 43 Governors in this country have. That’s what’s wrong with the system.

Q. Mr. President, Senator Baker has told us you are about to take this issue on the road—the budget deficit and the budget. How can you take it on the road without having to blunt the political skeptics who say the President has to take an issue somewhere that will get the spotlight off the Iran-*contra* hearings here in Washington—he has to take a significant issue to get the spotlight out of here?

The President. I think that spotlight has been growing so dim in recent days, that when you get a mile and half away from the Potomac River, there are an awful lot of people that have gone back to their favorite television shows. And I don’t blame them. I’ve never heard so much hearsay in all my life that wouldn’t be permitted in a courtroom for a minute and a half, and it’s taken as gospel by those who want to go farther with this.

But I shouldn’t get lost in that. No, the budget has been one of the most important things in my mind from the moment I came here. I inherited a situation in California when I became Governor, pretty similar to what I inherited here, with regard to the economy. Only there, the deficit had been hidden by bookkeeping tricks because the constitution of the State of California said there couldn’t be a deficit. But you come in as a new Governor in the middle of the year, and you’ve got 6 months before the end of the year. And because of the constitution, I had 6 months in which I had to do something about that tremendous deficit that was hanging over the budget. The constitution said, come the end of the deficit year—it’s got to be balanced.

Well, from the experience that we had there and the things that we did, I came here with some ideas that I thought would be beneficial. We have been deficit spending for more than a half a century. And for 46 out of 50 years, the Democrats have had a majority in both Houses of the Congress. And when some of us out on the mashed-potato circuit complained about the deficit year after year after year, we were told that

it didn't matter—we owed the money to ourselves, and deficit spending was necessary to maintain prosperity.

Well, I'd be kind of being an "I told you so" if I told you that I made speeches 30 years ago in which I said they could not go on without one day the deficit going out of control. Well, in the 15 years from 1965 to 1980, the budget of the United States multiplied to five times what it had been, and the deficit multiplied to 38 times what it had been. And it is out of control, and it's structurally built-in. I'm talking too much on some of these.

Yes?

Tax Reform

Q. Kay Mann, from Milwaukee, Mr. President, Channel 6 from Milwaukee. Many people in Milwaukee are concerned because there are folks in Congress, including Republicans, who believe that excise taxes on products like cigarettes and beer and wine and other goods would be an effective way of fighting the budget deficit. Are you willing to fight excise taxes? And particularly, I'm interested in beer, because beer, as you know, is produced in Milwaukee.

The President. Yes. I'm opposed to taxing for this problem, or the solution to this problem, because if you look back in history, every major tax decrease has resulted in more revenues for the Government at the lower rates because of the stimulant to the economy. I believe the 54 months of recovery that we have had now, from the mess we inherited, is based on the changes we made in the tax policies.

When John F. Kennedy's tax program, that he recommended and which was not too dissimilar to ours—when it was passed the same thing happened—more revenues at lower rates. It happened back in Coolidge's administration, and they cut the taxes several times in that period. I can show you again where tax increases have resulted in lower revenues for the Government because of the harmful effect they have on the economy by reducing incentive and so forth.

So, what I have said about taxes is that unless we do the job of cutting the spending that has to be cut and getting government back to the point in which we can

say: Now, there is no way that you can cut beyond this point—these are the legitimate functions government must perform—then, if you find that the revenues do not equal the percentage of gross national product that the spending does, then would be time to look at a tax so that you are even.

We're taxing at about the same level that has always been normal in this country—19 percent of gross national product are tax revenues. But we're spending 24 percent of the gross national product, and that's what's wrong. Now, to take Congress off the hook and give them more taxes, they'll just do more spending. You've got to force them and get back down to where we say this is it, now government is as economical as we can make it. And then if it isn't—the taxes aren't enough—then you look at getting more revenue.

Administration Credibility

Q. Mr. President, Marty Sender, Channel 7 in Boston. Democratic Presidential hopefuls, like Governor Dukakis in Massachusetts, are going around the country campaigning on the issue of integrity, implying that your administration doesn't have enough of it. How do you defend yourself, sir, against these implications, when many see patterns of deception in your administration, against implications that the integrity of your administration is not what it should be?

The President. Well, I don't think there's anyone that's ever been in this job, ever, that has not gone to bed every night knowing that with the thousands of people that are out there, there could be somebody that's breaking the rules someplace. And you try to get at that and do something about it. But I challenge that there's been no violation of integrity in our administration, and I have tried to keep every promise that I made, and have kept a lot of them.

And I don't see how they can go around denying what has actually happened since we've been here. Interest rates were over 20 percent—the prime rate—when we came. Double-digit inflation was 13 or 14 percent. We know what the tax structure was; unemployment was high.

Today we have a higher percentage of the employment pool, potential employment pool, employed than ever in our history. The interest rates, we know, are down. Inflation has come down to less than 4 percent, after all of the years of having this rate of inflation. In fact, it's come down to lower than that until just recently because of fuel prices. I say that what they're doing is pure demagoguery.

Q. But, sir, over 100 members of your administration have left under some sort of cloud or scandal. That's what they're campaigning against.

The President. Yes, I remember when [former Secretary of Labor] Ray Donovan left, and I remember his sizeable plea the other day—now, how does he get back his reputation? A number of people in our administration—there have been things that have been uncovered by someone, let's say, that—in the past, before they ever came here. But isn't it the very fact that we are uncovering, if there's something going wrong and something being done about it? We're not covering it up or hiding it.

Q. Mr. President—

Ms. Mathis. Last question.

Debts of Developing Countries

Q. Mr. President, John Slack, from Boston. I don't really care to ask you if you've stopped beating your wife, Mr. President, but I would like to ask you an economic question. We didn't hear much from the economic summit in Venice about whether the leaders of the free world are really concerned about the deep threat to democracy that's posed by the heavy debt burden the LDC's are under. Is there any sense of urgency about this Third World debt, especially here in Latin America, and doing something about it—a la a new Marshall plan?

The President. There was very much said about it, and it will now proceed with the other people in our administrations and the people concerned with that. Finance ministers and so forth are going to go forward looking for things we can do. For example, just one thing to throw out here that was discussed and that should be looked at—the inability of some of these developing countries to pay back a debt to private banks.

Well, some of those banks have already transferred the debt into equity. Now, a number of those countries, those emerging countries, started out following statism. They organized at the top, and the government ran things. And this meant that there were nationally owned businesses and industries and so forth.

Well, if a bank takes over and accepts equity in one of those nationalized industries or businesses this is much the same as outside capital coming in. And no country has ever become great that didn't import capital and people. Then you suddenly have got a privatization, and you've got enlightened leadership here running it. And this can begin to help them because a great many of those countries are beginning to realize the faults of statism and are trying to move more toward the private sector. This is—I'd just like to tell you—this is one of the ideas that came into the discussion. It was discussed, and we are proceeding now through our ministers.

You see, the economic summit isn't a thing in 3 days. And this is why for 7 years I've—as I said last night—7 years, I've always heard the same story: Nothing happened at the summit. A lot happens at the summit. But it isn't as if you were going to, say, the summit with Gorbachev and a treaty on arms to be signed or not signed. You go there and deal with all these problems and then make decisions that will be followed up, such as the one on agriculture and agricultural subsidies. And we pass on now to the Uruguay meetings that are going to be held, this problem that must be resolved. And we can agree on what we want accomplished, but there are a lot of technicalities involved that you now turn it over to the working staff for them to come up with how we can—without pulling the rug instantly out from under farmers who have become used to this—how we can get farming back to the marketplace for the determination of prices and production.

Q. Mr. President—

The President. She told me that I've taken the last question here. How come there are so many hands left and I always—[laughter].

Q. One more?

Q. One more?

The President. Would you permit one more?

Mr. Baker. Yes.

Ms. Mathis. Oh boy—I'll let him make the call.

The President. Can I?

Mr. Baker. Sure.

The President. Yes, way back up over there. I haven't gone very far into the back. I've been down front here.

State and Local Taxes

Q. Thank you, sir. Mark Fryburg, WBTV, Charlotte. When you take your proposal for budget reform on the road, if you come near Charlotte, you'll see people who've seen all these wonderful economic developments in 5 years and the deficit spending hasn't seemed to hurt them. At the same time, they're being told their local taxes are going up because Federal spending is going down. How are you going to persuade them?

The President. Well, for one thing, part of our whole reducing of the size and the power of the Government, under what we've called federalism, actually was a case of returning tax resources to local and State government at the same time that we gave them back responsibilities that we don't think belong to the Federal Government. Now, the Federal Government's whole history, dating back to the New Deal—and I was a New Dealer then, out of the Great Depression—the whole history was one of the Federal Government usurping functions that belonged at the local level. But they did it on the basis of first, they usurp the money. The Federal Government used to only take, well, about a third out of the total tax dollar, or less.

And then, suddenly, the Federal Government became the major taker of tax dollars,

leaving very little to the States and local governments. And they, in turn then, had to turn to the Federal Government for help because they no longer had any sources they could go to for further taxing. We've tried to reduce that and give things back to the State level and, in turn, to the local level that belong there. And at the same time, give back to them, by the lowering of our taxes at the Federal level, the ability to—if they need a local tax for some local function there—to do that, to raise that tax.

Some figures that came up the other day and we used at the summit and that I used in the speech last night—the one I could remind you here—our system of government differs so from the others that in 1983, the deficit was 6.3 percent of gross national product. It's now only 3.9 percent of gross national product, but that's the Federal Government. And you compare those percentages to European countries, and they seem to see us as much heavier in debt than they are.

But they count differently than we do. They count the total cost of government, all government and all taxes, and figure out their percentage. Well, if we do that in the United States, our deficit is only 2½ percent of gross national product because the States and the local communities are in a lot better shape generally than the Federal Government is. Well, no, they tell me I can't take any more. If you'd like to write me a letter with a question—[laughter]—I'll guarantee you an answer.

Reporters. Thank you.

Note: The President spoke at 11:30 a.m. in Room 450 of the Old Executive Office Building. Susan K. Mathis was Special Assistant to the President and Director of Media Relations. Howard H. Baker, Jr., was Chief of Staff to the President.

Remarks at a Senate Republican Policy Committee Luncheon *June 16, 1987*

Thank you all very much. I see that you've already been served, and you go right ahead and eat, and I'll talk loud. I thank you for inviting me here. I guess if this is Tuesday, this must be Capitol Hill.

I was going to say I know I'm keeping you all from lunch, but I see I'm not. By my internal clock, it's already past dinnertime, so I'll keep my remarks brief and, I hope, to the point. I must begin by thanking Bill Armstrong, your chairman, and Bob Dole, your leader. You've provided inspiration and leadership and initiative, keeping the party of ideas in the forefront of the policy debate, and I thank you both.

As you know, we just returned from the economic summit. The meeting was more than a success. It's clear that throughout the world the momentum is growing for pro-growth, free-market policies. Economic freedom, increased opportunity, and less government—that's the wave of the future. Certainly, there were areas of disagreement with our summit partners, but I believe we achieved all of our major objectives in Venice. We've put a new process in place to coordinate macroeconomic policy between our nations, and we agreed to take effective steps to spur world economic growth. We discussed progrowth, proopportunity policies—how governments must liberate the creative energies of their people by lessening the dead hand of government interference in the economy.

We reconfirmed our strategy on the world debt problem, recognizing that special attention must be given to the poorest debtor nations so that their burden does not become simply unbearable, and we called on the banks to rethink and restructure their approach to the debtor nations. There was agreement, too, on the importance of removing the roadblocks that stand in the way of economic cooperation. We pledged to work against protectionism—high tariffs, trade barriers, and trade-distorting subsidies that slow growth, shrink world markets, and destroy jobs.

Of course, the trade bill passed by the

House recently flies in the face of the progress that we've made. Some of the provisions of this bill are so dangerous to America's economy, indeed to the world economy, that I would have no choice but to veto it in its present form. Its mandatory retaliation requirements could well plunge us into a trade war that would very quickly spiral out of control. Similarly dangerous provisions are proposed in the trade legislation that will be coming to the Senate floor soon. We've been working very closely with Senate committees to come up with a bill that would enhance prospects for U.S. exports without risking a trade war.

The ghost of Smoot-Hawley seems to be rising again, threatening our economic expansion, our prosperity, and our very livelihoods. We must eliminate the worst provisions of both the House and the Senate bills. I hope you'll keep these objectives in mind as the Senate talks up trade legislation. Unless you do, then I'm afraid the prospects won't be very good for my signing the final product into law. We must continue to go the positive route, opening up markets where they're closed, working to expand world trade and the millions of jobs that it creates, rather than shrink the global economy and throw millions out of work.

At the summit we also made real progress in the area of agricultural subsidies. Perhaps no other economic issue creates more tension between our countries. Disagreements in no other area so threaten the health of our world trading system. And now I've issued a challenge for all our nations to end the "farms race," eliminate agricultural subsidies, and return to free markets in agriculture by the year 2000.

In our discussions, our allies pointed with some justification at our budget deficit. Now, it's true that deficits in Europe are sometimes just as big, or bigger, in proportion to their gross national product, but that doesn't let us off the hook. Deficits are simply a destructive economic force. They are a giant drain on the productive economy like a huge, disguised tax on the private

sector. In fact, the only thing worse than deficits is high taxes. But we don't have to choose, and we're not going to choose, between them. Using taxes to cure deficits is like using leeches to cure anemia. We're not going to counter one evil with another; we're going to eliminate them both. Deficits are going the way of high taxes: They're both being mowed down to make way for a new era of growth and opportunity. As I said last night, we've reached the breaking point. Now it's decision time. Some in Congress are caving in to its old temptations, its old tax-and-spend addictions. And if we give in, it will ruin our economy.

The situation is urgent. So what do we propose? Well, to exceed their own spending limits, the Democrats propose to pay for this spending binge by cutting our national security programs to dangerous levels, by dumping \$100 billion in new taxes on the American people over the next 4 years. So, that's why I'm stepping up my commitment to this cause and taking my case to the American people. It won't be a political campaign; it'll be a campaign of all Americans to bring back economic sanity.

Just as we did for tax reform, we're now going to do for the balanced approach in dealing with the budget process. And we're not going to be shy about pointing fingers and placing blame. The American people wanted a fair tax code, and despite all the expert opinion, they won. Now we're calling for reform on the budget process. We're demanding an end to the boondoggles, the waste, and the last-minute resolutions. We want every Member of Congress to stand up and be counted, to vote up or down, yes or no, on an amendment that once and for all will end deficit spending, to once and for all balance the budget.

Now, I know your job hasn't gotten any easier this year. We no longer have the Republican majority in the Senate that was fundamental in opening up a whole new era of pride, patriotism, and economic growth in this country. We may have lost our Senate majority, but the country must look to our side of the aisle for leadership. You're the bulwark that stands against those who would plunge our nation back into the malaise days of economic stagnation at home and weakness abroad. Well, we're not

retreating into the past, and we're not hunkering down in defensive positions just trying to hold onto the ground we've gained. In the coming months, we're going on the offensive in a big way. We're going to be taking our case directly to the American people, because with the American people, there will always be a majority for a strong and growing America.

Now, there's one other development that I want to report to you on. As I told the American people last night, we've reached a full consensus with our allies on our arms reduction negotiating position. Six years ago the U.S. proposed a step called the zero option, the complete elimination of U.S. and Soviet land-based, longer range INF missiles. Many said our proposal was unrealistic. The Soviets, they insisted, would never accept it, and indeed the Soviets walked away from the table. Well, we remained firm and determined, and now the Soviets have adopted a similar position, and they're back at the table. With the support of our allies, we're now also proposing the global elimination of all U.S. and Soviet land-based, shorter range INF missiles, along with deep reductions in, and hopefully the ultimate elimination of, longer range INF missiles.

This is impressive progress, but as our allies agreed, this must be only the beginning of progress across the field, including an agreement to cut U.S. and Soviet strategic nuclear arms by 50 percent. We must redouble our efforts on regional conflicts, in Afghanistan, especially. It didn't take the Soviets very long to invade that country; they should be able to get out even faster.

Last, but not least, we'll continue to press for progress on the Soviets' systematic violations of the Helsinki guarantees on human rights. As I said of the Berlin Wall, a nation that's so frightened of its own people that it treats them like prisoners will always be a source of tension in the world. If Mr. Gorbachev's actions match his words then—I said it there: Tear down the wall! Open the gate!

Well, thank you all very much. God bless you all.

Note: The President spoke at 12:49 p.m. in the Mansfield Room at the Capitol.

Nomination of Lieutenant General Alfred M. Gray, Jr., To Be Commandant of the Marine Corps

June 16, 1987

The President today announced his intention to nominate Lt. Gen. Alfred M. Gray, Jr., USMC, to be Commandant of the Marine Corps for a term of 4 years in the grade of general, vice Gen. P.X. Kelley, who is retiring on July 1, 1987.

Lt. Gen. Gray has served as the Commanding General, Fleet Marine Force, Atlantic, and Commanding General, II Marine Amphibious Brigade, since September 1984. Lt. Gen. Gray was born on June 22, 1928, in Point Pleasant Beach, NJ. He was commissioned a second lieutenant on April 9, 1952.

Lt. Gen. Gray has commanded the 2d Marine Division, the 4th Marine Amphibi-

ous Brigade, the Landing Force Training Command, Atlantic, the 33d Marine Amphibious Unit, and Infantry Regiment, Infantry Battalion, Radio Battalion, and an artillery battalion. Staff assignments have included Director, Development Center, MCDEC; Deputy Director, Training and Education Division, HQMC; Division Assistant Chief of Staff, G-3; Chief, Intelligence and Reconnaissance Division, Defense Special Projects Group; Regimental S-3 and Communications Officer; and Special Operations and Plans Officer, G-2 Division, HQMC.

Lt. Gen. Gray is married to the former Jan Goss of Burlington, VT.

Nomination of Charles E. Cobb, Jr., To Be an Assistant Secretary of Commerce

June 16, 1987

The President today announced his intention to nominate Charles E. Cobb, Jr., to be an Assistant Secretary of Commerce (Trade Development, International Trade Administration). He would succeed Harold Peter Goldfield.

Mr. Cobb is currently chairman and chief executive officer of Arvida Disney Corp., in Miami, FL. Prior to this he served as vice

president and general manager of the land development division of Kaiser Aetna, 1969-1972.

Mr. Cobb graduated from Stanford University (B.A., 1958; M.B.A., 1962). He served in the U.S. Naval Reserve from 1958 to 1960. Mr. Cobb was born May 9, 1936, in Fresno, CA. He is married, has two children, and resides in Miami, FL.

Appointment of Six Members of the Commission for the Preservation of America's Heritage Abroad, and Designation of the Chairman

June 16, 1987

The President today announced his intention to appoint the following individuals to be members of the Commission for the Preservation of America's Heritage Abroad:

For the remainder of the term expiring February 27, 1989:

Betty Green Heitman, of Louisiana. She would succeed Kenneth M. Duberstein. Upon appointment, she will be designated Chairman.

Mrs. Heitman is currently a partner with the Heitman Group in Washington, DC. Prior to this she served as cochairman of the Republican National Committee, 1980–1987. Mrs. Heitman was born November 27, 1929, in Malvern, AR. She is married, has four children, and resides in Arlington, VA.

For terms of 2 years:

Arthur Berney, of Massachusetts. This is a new position. Since 1970 Mr. Berney has been a professor at Boston College Law School. Prior to this he was an associate professor at Boston College, 1966–1970. Mr. Berney graduated from the University of Virginia (B.A., 1961; J.D., 1958); and was a Ford Foundation fellow at Harvard Law School, 1964. He served in the U.S. Army, 1953–1955. Mr. Berney is married, has two children, and resides in Brookline, MA.

Abraham Friedlander, of New York. This is a new position. Since 1979 Mr. Friedlander has been the editor of Boro Park Voice in Brooklyn, NY. Prior to this he served as an employment counselor at the Federal Employment and Guidance Service, 1979–1980. Mr. Friedlander graduated from Chasam Sofer Rabbinical College (B.A., 1976). He was born October 21, 1954, in New York, NY. Mr. Friedlander is married, has three children, and resides in Brooklyn, NY.

Edgar Gluck, of New York. This is a new position. Mr. Gluck is currently a special assistant to the superintendent for community affairs, New York State Police. Prior to this he served as special assistant to the director in the New York State Division for Youth, 1979–1984. Mr. Gluck graduated from Chasam Sofer Rabbinical College (B.A., 1957) and Long Island University (M.A., 1974). He was born June 14, 1936, in Hamburg, Germany. Mr. Gluck is married, has two children, and resides in Brooklyn, NY.

Morris A. Schmidman, of New York. This is a new position. Since 1976 Rabbi Schmidman has been the executive director of the Council of Jewish Organizations of Boro Park, NY. He is an ordained rabbi. Rabbi Schmidman graduated from Brooklyn College (B.A., 1948) and Brooklyn Law School (J.D., 1951). He was born February 4, 1926, in Simiatycz, Poland. Rabbi Schmidman is married, has two children, and resides in Kew Gardens, NY.

Norman H. Stahl, of New Hampshire. This is a new position. Mr. Stahl is currently a senior officer at Devine, Millimet, Stahl & Branch in Manchester, NH. He has been with the firm since 1956. Mr. Stahl graduated from Tufts University (B.A., 1952) and Harvard University (LL.B., 1955). He was born January 30, 1931, in Manchester, NH. Mr. Stahl is married, has two children, and resides in Bedford, NH.

Nomination of Martha O. Hesse To Be a Member of the Federal Energy Regulatory Commission, and Designation as Chairman

June 16, 1987

The President today announced his intention to nominate Martha O. Hesse to be a member of the Federal Energy Regulatory Commission for a term expiring October 20, 1991. This is a reappointment. Upon confirmation, she will be redesignated Chairman.

Currently Ms. Hesse is Chairman of the Federal Energy Regulatory Commission. Prior to this, she served as Assistant Secretary for Management and Administration at

the Department of Energy, 1982–1986; Executive Director of the President's Task Force on Management Reform, in the Office of Management and Budget, 1981–1982.

Ms. Hesse graduated from the University of Iowa (B.A., 1964) and the University of Chicago (M.B.A., 1979). She was born August 14, 1942, in Hattiesburg, MS. Ms. Hesse currently resides in Washington, DC.

Nomination of Marjorie S. Holt To Be a Member of the General Advisory Committee of the United States Arms Control and Disarmament Agency

June 16, 1987

The President today announced his intention to nominate Marjorie S. Holt to be a member of the General Advisory Committee of the United States Arms Control and Disarmament Agency. She would succeed Donald Rumsfeld.

Mrs. Holt served in the United States

House of Representatives, 1972–1986.

Mrs. Holt graduated from Jacksonville University (B.A., 1945) and the University of Florida (J.D., 1949). She was born September 17, 1920, in Birmingham, AL. Mrs. Holt is married, has three children, and resides in Severna Park, MD.

Nomination of Roger William Jepsen To Be a Member of the National Credit Union Administration Board

June 16, 1987

The President today announced his intention to nominate Roger William Jepsen to be a member of the National Credit Union Administration Board for the term of 6 years expiring August 2, 1993. This is a re-appointment.

Since 1985 Senator Jepsen has been a member and chairman of the National Credit Union Administration Board. Prior

to this he served as a United States Senator, from 1979 to 1984.

Senator Jepsen graduated from Arizona State University (B.A., 1950; M.B.A., 1953). He served in the U.S. Army, 1946–1947, and the Army Reserve, 1948–1960. Senator Jepsen was born December 23, 1928, in Cedar Falls, IA. He is married, has six children, and resides in Fairfax, VA.

Nomination of Thomas P. Rona To Be an Associate Director of the Office of Science and Technology Policy

June 16, 1987

The President today announced his intention to nominate Thomas P. Rona to be an Associate Director of the Office of Science and Technology Policy. He would succeed Bernadine Healy Bulkley.

Mr. Rona is currently Assistant Director for Government Programs in the Office of Science and Technology Policy at the White House. Prior to this, he served as Special Assistant for Space Policy at the Department of Defense, 1985–1986; Special Assistant for Space Policy at the Department of

Defense, 1984–1985. Mr. Rona was employed with the Boeing Co., in Seattle, WA, from 1959 to 1984.

Mr. Rona graduated from Ecole Supérieure d'Electricité (M.E., 1943; E.E., 1945); and Massachusetts Institute of Technology (M.S. in E.E.; Sc.D. in E.E., 1955). He received his license certificate in physical electronics at the Sorbonne in 1946. Mr. Rona was born January 7, 1923, in Budapest, Hungary. He has four children and resides in Alexandria, VA.

Nomination of Thomas H. Henriksen To Be a Member of the President's Commission on White House Fellowships

June 16, 1987

The President today announced his intention to nominate Thomas H. Henriksen to be a member of the President's Commission on White House Fellowships. He would succeed Marilyn S. Lewis.

Mr. Henriksen has been a senior fellow with the Hoover Institution at Stanford University since 1982, and an associate director with the Hoover Institution since 1983. Prior to this, he was a senior auditor and senior research fellow at Stanford University,

1980–1982; a peace fellow at the Hoover Institution, and a professor at SUNY, 1979–1980.

Mr. Henriksen graduated from the Virginia Military Institute (B.A., 1962) and Michigan State University (M.A., 1966; Ph.D., 1969). He served in the U.S. Army, 1963–1965. Mr. Henriksen was born November 16, 1939, in Detroit, MI. He is married, has two children, and resides in Palo Alto, CA.

Message to the Congress on the Continuation of the Emergency With Respect to Iran

June 16, 1987

To the Congress of the United States:

This report is made pursuant to section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), and, as with previous reports, discusses only matters concerning the national emergency with respect to Iran that was declared in Executive Order No. 12170 of November 14, 1979. This report covers events through May 14, 1987, including those that occurred since my last report on November 21, 1986.

1. The Iran-United States Claims Tribunal (the "Tribunal"), established at The Hague pursuant to the Claims Settlement Agreement of January 19, 1981 (the "Algiers Accords"), continues to make progress in arbitrating the claims before it. Since my last report, the Tribunal has rendered 44 awards, for a total of 304 awards. Of that total, 228 have been awards in favor of American claimants: 139 of these were awards on agreed terms, authorizing and approving payment of settlements negotiated by the parties, and 89 were decisions adjudicated on the merits. The Tribunal has dismissed a total of 20 other claims on the merits and 44 for jurisdictional reasons. Of the 12 remaining awards, one was withdrawn and 11 were in favor of the Iranian

claimant. As of April 30, 1987, total payments to successful American claimants from the Security Account held by the NV Settlement Bank stood at approximately \$854 million.

To date, the Security Account has fallen below the required balance of \$500 million five times. Each time, Iran has replenished the account, as required by the Algiers Accords, by transferring funds from the separate account held by the NV Settlement Bank in which interest on the Security Account is deposited. The most recent replenishment occurred on April 8, 1987, in the amount of \$20 million, bringing the total in the Security Account to \$516,532,511.28. Prior replenishments were for \$100 million, \$100 million, \$50 million, and \$100 million.

In claims between the two governments based on contracts, the Tribunal to date has made four awards in favor of the United States and three in favor of Iran. The Tribunal has dismissed two claims that had been filed by the United States and dismissed ten claims that had been filed by Iran. In addition, Iran has withdrawn 13 of its government-to-government claims (prior reports have overstated this number by two as a

result of a clerical error), while the United States has withdrawn three.

American arbitrator Charles N. Brower was temporarily absent from the Tribunal in January, February, and March due to his appointment as Deputy Special Counsellor to the President. During his absence, American substitute arbitrator Carl Salans served in his place for several hearings. The Tribunal accepted the resignation of Iranian arbitrator Mohsen Mostafavi, to become effective upon the appointment by Iran of a replacement. Mr. Koorosh-Hosseini Ameli served as the Iranian arbitrator on an *ad hoc* basis in a number of cases.

2. The Tribunal continues to make progress in the arbitration of claims of U.S. nationals for \$250,000 or more. Over 57 percent of the non-bank claims have now been disposed of through adjudication, settlement, or voluntary withdrawal, leaving 220 such claims on the docket. Among recent cases, two U.S. companies received awards in excess of \$36 million each, and one U.S. company received an award for \$8.5 million. Other decisions were notable for the legal precedents set by the Tribunal. In one case, a claimant born in Iran of United States parents, who had lived most of his life in the United States, served in the U.S. military, and had other substantial contacts with the United States, was found to possess dominant and effective United States nationality, so as to bring his case within the Tribunal's jurisdiction, notwithstanding his contacts with Iran. In another case, an American subcontractor's claim for recovery directly against an Iranian respondent was upheld based on unjust enrichment, where the Iranian entity had not paid the general contractor for the work. Such favorable decisions should prove helpful to other U.S. claimants before the Tribunal.

3. The Tribunal continues to process claims of U.S. nationals against Iran of less than \$250,000 each. While the Tribunal's progress is slower than we would like, a total of 127 small claims have been resolved, 15 of them since my last report, as a result of decisions on the merits, awards on agreed terms, or Tribunal orders. Six contested claims were decided in three awards issued by the Tribunal since my previous

report, raising the total number of contested claims decided to 11, eight favoring the American claimant. These decisions will help in establishing guidelines for the adjudication or settlement of similar small claims. To date, American claimants have also received 20 awards on agreed terms reflecting settlements of claims under \$250,000.

There remain 139 small claims currently under active Tribunal consideration. The Tribunal has held hearings in five of these claims since my last report, and the Department of State has filed additional pleadings in more than 50 such claims. The Tribunal has recently assigned the remaining small claims, totaling more than 2,500, to three-person chambers. We expect these chambers to make further selections of claims for active arbitration in the near future.

4. The Department of State continues to coordinate efforts of concerned governmental agencies in presenting U.S. claims against Iran, as well as response by the United States Government to claims brought against it by Iran. Since my last report, the Department has filed pleadings in five government-to-government claims based on contracts for the provision of goods and services. The Tribunal finally dismissed a number of Iranian claims against the United States based on alleged violations of Iranian customs regulations. Thirty-seven government-to-government claims remain pending.

In addition to work on the government-to-government claims, the Department of State, working together with the Department of the Treasury and the Department of Justice, filed five pleadings in disputes concerning the interpretation and/or performance of various provisions of the Algiers Accords. Since my last report, the Tribunal has held three hearings on interpretive disputes.

As noted in my last report, in August 1986 the Tribunal ordered the United States and Iran to negotiate in good faith on the terms of a transfer to Iran of some \$500 million of Iranian funds that have been held by the Federal Reserve Bank of New York since 1981, and to transfer the funds as soon as an agreement had been reached. Follow-

ing remarks by high-level Iranian officials linking U.S. compliance with the Tribunal order to the fate of hostages in Lebanon, the United States requested the Tribunal in January 1987 to take appropriate steps to clarify that no such linkage exists. On the following day, Iran filed a written submission with the Tribunal, accusing the United States of bad faith in the negotiations and requesting the Tribunal to resolve the technical issues.

On May 4, 1987, the Tribunal issued an award in which it orders the United States to retain about \$65 million at the Federal Reserve Bank of New York to pay outstanding claims, and immediately to transfer the balance (about \$454 million) to Iran's account at the Bank of England. The Tribunal adopted the substance of the release proposed by the United States that protects the United States against any possible future claims in connection with its administration of the account. The Tribunal stated that Iran has already publicly affirmed that there is no linkage between the United States' transfer of the funds and Iran's efforts to secure the release of hostages in Lebanon, and itself declared that "there can be no room for any doubt that this Case . . . [has] no relation or link whatsoever to the issue of hostages held in Lebanon or any other political matter." The United States complied with the Tribunal's award on May 13, 1987.

5. Since my last report, three bank syndicates have completed negotiations with Bank Markazi Jomhouri Islami Iran ("Bank Markazi," Iran's central bank) and have

been paid a total of \$622,807.26 for interest accruing for the period January 1-18, 1981 ("January Interest"). These payments were made from Dollar Account No. 2 at the Bank of England. Negotiations have been completed and payment of \$1,222,306.11 is pending for January Interest owed to three other bank syndicates, and Bank Markazi and additional bank syndicates are now negotiating January Interest settlements, with agent banks requesting the necessary participant consents.

6. Since my last report, there have been no amendments to the Iranian Assets Control Regulations, 31 C.F.R. Part 535, administered by the Office of Foreign Assets Control at the Treasury Department.

7. The situation reviewed above continues to implicate important diplomatic, financial, and legal interests of the United States and its nationals and presents an unusual challenge to the national security and foreign policy of the United States. In particular, the Iranian Assets Control Regulations issued pursuant to Executive Order No. 12170 continue to play an important role in structuring our relationship with Iran and in enabling the United States properly to implement the Algiers Accords. I shall continue to exercise the powers at my disposal to deal with these problems and will continue to report periodically to the Congress on significant developments.

RONALD REAGAN

The White House,
June 16, 1987.

Message to the Congress Transmitting the Annual Report of the Corporation for Public Broadcasting

June 16, 1987

To the Congress of the United States:

In accordance with the Communications Act of 1934, as amended (47 U.S.C. 396(i)), I transmit herewith the Annual Report of the

Corporation for Public Broadcasting for Fiscal Year 1986. The report states that the Corporation will seek appropriations at the full amount authorized through 1990. This

does not reflect my views and exceeds my budget by \$44 million in 1988, \$88 million in 1989, and \$122 million in 1990. I request that the Congress appropriate no more than the level I have proposed.

RONALD REAGAN

The White House,
June 16, 1987.

Appointment of James C. McKinney as Deputy Assistant to the President and Director of the White House Military Office

June 16, 1987

The President today announced his intention to appoint James C. McKinney to be Deputy Assistant to the President and Director of the White House Military Office. He will succeed Richard P. Riley.

Since 1983 Mr. McKinney has served as Chief, Mass Media Bureau of the Federal Communications Commission. From 1981 to 1983, he was Chief, Private Radio Bureau, and prior to 1981, he served as Chief, Field Operations Bureau. He is an engineer by training and an instrument-

rated pilot. In 1985 he was selected to receive the Presidential Rank Award for Distinguished Executive Service. In 1987 he was awarded the Federal Communications Commission's Gold Medal for Distinguished Service.

Mr. McKinney received his bachelor of science degree in electrical engineering in 1963 from West Virginia Tech. Mr. McKinney was born June 3, 1940, in Charleston, WV, and currently resides in Burke, VA.

Statement by Assistant to the President for Press Relations Fitzwater on the Meeting Between President Reagan and President Oscar Arias Sánchez of Costa Rica

June 17, 1987

President Reagan said in a meeting with Costa Rican President Oscar Arias today that the United States and Costa Rica share the same objective in Nicaragua: free, competitive, and regularly scheduled elections allowing the Nicaraguan people to elect their own leaders. The President said that the United States welcomes the initiative introduced by President Arias last February but noted that there remain concerns about specific parts of the plan. The greatest concern is the need for the Sandinistas to act on genuine democratization before pressure on the regime is removed in any way.

The President said he hoped that the

Central American democracies will work together in the weeks ahead to strengthen the democratic aspects of the Arias plan. He said that the focus of the initiative on democracy in Nicaragua is the key to peace in Central America. The President said that the United States will continue to apply pressure on the Sandinista regime to democratize and his administration remains fully committed to obtaining renewed funding from the Congress for the Nicaraguan democratic resistance. The President met with Costa Rican President Oscar Arias for approximately 1 hour.

Nomination of Joseph Lane Kirkland To Be a Member of the Board for International Broadcasting

June 17, 1987

The President today announced his intention to nominate Joseph Lane Kirkland to be a member of the Board for International Broadcasting for a term expiring April 28, 1990. This is a reappointment.

Since 1979 Mr. Kirkland has been president of the AFL-CIO in Washington, DC. Prior to this he served as secretary and

treasurer of the AFL-CIO.

Mr. Kirkland graduated from Georgetown University (B.A., 1948). He served in the United States Merchant Marine, 1941-1946. Mr. Kirkland was born March 12, 1922, in Camden, SC. He is married, has five children, and currently resides in Washington, DC.

Nomination of William W. Fox, Jr., To Be a Member of the Marine Mammal Commission

June 17, 1987

The President today announced his intention to nominate William W. Fox, Jr., to be a member of the Marine Mammal Commission for the term expiring May 13, 1989. He would succeed Karen Pryor.

Mr. Fox is currently a professor of biology and living resources and the director of the Cooperative Institute for Marine & Atmospheric Science at the University of Miami.

Prior to this he served as Director of the Southeast Fisheries Center at the National Marine Fisheries Service, 1978-1982.

Mr. Fox graduated from the University of Miami (B.S., 1967; M.S., 1970) and the University of Washington (Ph.D., 1972). He was born July 18, 1945, in San Diego, CA. Mr. Fox is married, has two children, and resides in Miami, FL.

Remarks at the Presentation Ceremony for the Presidential Scholars Awards

June 17, 1987

I thank you, and welcome to the White House—Secretary Bennett, Ronna Romney, and all of you, our 1987 Presidential Scholars. You're the 23d class of Presidential Scholars and the 5th of those I've had the opportunity to meet and congratulate. I have to admit, I always feel a little uneasy when I'm in the midst of so much academic achievement.

Sometime ago, my alma mater, Eureka College, out in Illinois, gave me an honorary degree. I was very grateful, but I had an uneasy feeling that—well, a sense of guilt that I'd nursed for a number of years,

because I always suspected that the first one they gave me was honorary. [*Laughter*] But as I said, today we're here to congratulate all 140 of you on your outstanding achievements and to congratulate some others as well: your teachers and your parents. I know who the parents are; they're the ones grinning from ear to ear. [*Laughter*]

In the last several years, America's found a new way to talk about education, a way summed up in just one word, and you're an example of it: excellence. Now, it may sound strange to say that the emphasis on

quality is new, but a few years ago it seemed that we'd lost sight of excellence as the goal in education. Too many schools had turned to fads like grade inflation and abolishing basic requirements. And then 4 years ago our National Commission on Excellence in Education issued its report card on American schools. They found that high school students then were scoring lower on achievement tests than at any point in the past 26 years and that 13 percent of all 17-year-olds were functionally illiterate. They said that if a foreign power had done the damage to our schools that we ourselves had permitted, we might have considered it an act of war.

Well, there's one thing about America: Once we recognize we have a problem, we pitch in, pull together, and solve it. In the past 4 years all 50 States have set up task forces on education. Many States have stiffened graduation requirements and begun to reward quality teaching. All across the Nation, communities have recognized that the key to a good education is not in the pocketbook, in how much we spend, but in the heart, in the values that guide learning. It's in mastering basics, the three R's—reading, writing, arithmetic. And it's in what you might call the three F's, and those are faith, family, and freedom. The funny thing is, as schools begin to return to the basics of skill and character the test scores stopped falling and started up again.

You yourselves reflected these basics in the essays you wrote as part of the Presidential Scholar program. Not all of what you wrote dealt with values; some had to do with careers you aspire to, although those were also revealing—music, dance, teaching, scientific research, medicine. A few of you, of course, are undecided. One of you wrote, "Well, I'd like to have a career eventually. That's a start." And let me say, you know something, don't worry about it if you haven't made up your mind yet; that's okay. When Eureka College gave me that first degree, I still couldn't say to anyone exactly what I wanted to do. So, just look what happened. [Laughter] But that's how I felt when I was your age. And it's not true that Abe Lincoln was my guidance counselor—[laughter]—or that I was his. [Laughter]

But you also wrote about the values that

have guided and inspired you and helped you in your achievements. And it's hard not to notice those three F's coming up again and again. You wrote about the values that your faiths have given to so many of you, values like respect for hard work and achievement, honesty toward yourselves and others, and compassion for humanity. You showed a clear sense of right and wrong, and that sense is the foundation of all true achievement.

Your writing also showed your dedication to your families. Secretary Bennett has told me that most of the time when you see a good student you will see devoted parents in the background. Well, you've shown your own devotion to them as well. One of you wrote: "I am extremely grateful to my parents. Mom and Dad teach me by example—their high moral code and their constant love, support, and humility." Another, who was brought up by his mother, told this story: "Mother held down three secretarial jobs and managed to keep the house. And then, soon after my ninth birthday, she was diagnosed with multiple sclerosis. By the time the State disability ran out, she had completed vocational rehabilitation and was able to set up her own little business in our home. It has been nearly 9 years now, and my mother and I are still fine and still making it together very much on our own." All I can add to that is God bless her.

All of you wrote essays on freedom, including the freedom to speak, to think, and to worship—our sacred national heritage. You showed that you've accepted the responsibility that freedom places on the shoulders of each of us, responsibility for our own lives and for taking part in building and guiding our country. Some of you came to America from places that don't have these freedoms. And one of you said this about the value of freedom: "I am deeply indebted to America. Three times did my family flee from tyranny, and America saved us. In this country we've worked hard and protected our freedom even harder. Only in America do dreams come true."

You know, if you haven't heard somebody say this—I haven't known it too long myself—but it was an observation someone

made that I think all of us should be proud of. You can go to another country—you can go to Japan and live there, but you can't become Japanese. You can go to France and live there, but you can't become French. Germany, Greece, name all the countries—but anyone from any corner of the world can come to America and become an American.

Lately I've noticed some talk in some quarters about how America's become selfish. Those who say that seem to think that more big government and higher taxes are signs of an elevated moral state in our Union. Well, I believe that's dead wrong. The greatness of this land of freedom is not in the strength of government but in the strength and decency that we as free men and women bring to our daily lives. Your parents, your teachers, and you yourselves are the proof of that. Yes, every farm, every store, every factory, every home across our land is a monument to men and women who took into their hands the clay of Amer-

ica's opportunity and shaped it to their dreams. The great goal of my generation is to make sure the opportunities that you find when you finish school are as full as those that awaited us. Then America's future will be as great as your dreams. And let me say, it looks to me like that future will be in pretty good hands.

Now, I have to get back to my office right now. They've kind of got me scheduled pretty heavy today. In fact, Senator Baker's right here to make sure that I do get back there. So I'm going to turn the rest over to Secretary Bennett, and he will present the Presidential Scholar medallions on my behalf. So, all I can do is turn it over to him and say congratulations to all of you. Thank all of you, and God bless you.

Note: The President spoke at 2 p.m. on the South Lawn of the White House. In his opening remarks, he referred to William J. Bennett, Secretary of Education, and Ronna Romney, Chairman of the Commission on Presidential Scholars.

Nomination of Donley L. Brady To Be a Member of the Board of Directors of the Overseas Private Investment Corporation

June 17, 1987

The President today announced his intention to nominate Donley L. Brady to be a member of the Board of Directors of the Overseas Private Investment Corporation, U.S. International Development Cooperation Agency, for a term expiring December 17, 1989. He would succeed Frances Todd Stewart.

Since 1976 Mr. Brady has been a partner with Mckiernan, Gurrola, Moriwaki &

Brady in Los Angeles, CA. Prior to this he was owner and president of the Brady Mines.

Mr. Brady graduated from the University of Notre Dame (B.S., 1947; J.D., 1949). He served in the U.S. Navy, 1942–1945. Mr. Brady was born May 6, 1922, in Pittsburgh, PA. He is married, has three children, and resides in Arcadia, CA.

Nomination of Moneesa L. Hart To Be a Member of the National Advisory Council on Women's Educational Programs

June 17, 1987

The President today announced his intention to nominate Moneesa L. Hart to be a member of the National Advisory Council on Women's Educational Programs for a term expiring May 8, 1990. She would succeed Della M. Newman.

Ms. Hart is currently a student at the Mary Washington College in Fredericksburg, VA. Prior to this she served as a staff assistant in the Senate Judiciary Committee, December 1985–January 1986 and June 1985–August 1985; personal assistant to

Senator and Mrs. Strom Thurmond, April 1985–June 1985; and youth coordinator of the Richard Viguerie Virginia Lieutenant Governor Campaign, January 1985–April 1985. Ms. Hart was named Most Outstanding Teenage Republican in the State of Virginia, 1984–1985. She is also a member of President Reagan's Advisory Committee on Prayer in Public Schools.

Ms. Hart was born January 28, 1967, in Richmond, VA. She currently resides in Vienna, VA.

Appointment of Albert L. Anderson as a Member of the President's Committee on Mental Retardation

June 17, 1987

The President today announced his intention to appoint Albert L. Anderson to be a member of the President's Committee on Mental Retardation for a term expiring May 11, 1990. This is a reappointment.

Since 1947 Dr. Anderson has been a dentist and pedodontics specialist in San Diego, CA. He was the founding member of the San Diego Stadium Authority and served as chairman from 1981 to 1982. Dr. Anderson

has served as dental chief of staff at the Children's Hospital and the University Hospital in San Diego.

Dr. Anderson graduated from the University of the Redlands (B.S., 1944) and the University of Southern California (D.D.S., 1947). He was born January 17, 1923, in Sanger, CA. Dr. Anderson is married, has three children, and resides in San Diego, CA.

Statement on the Nomination of David S. Ruder To Be a Member of the Securities and Exchange Commission, and Designation as Chairman

June 17, 1987

I am delighted today to announce my intention to nominate Professor David S. Ruder to be a member of the Securities and Exchange Commission and to designate him as its Chairman.

Professor Ruder's expertise in the areas of securities antifraud provisions, insider trading, tender-offer regulation, and SEC en-

forcement ensures that the Commission will have the guidance of a steady hand. No one is better equipped to continue the fine work of Chairman John Shad in the area of insider trading enforcement. The Commission's vigilant efforts to enforce the anti-fraud laws have enhanced investor confidence in the Nation's securities trading

markets, and under the leadership of David Ruder, we can expect the Commission will continue with that essential role.

One of the Nation's foremost experts on securities regulation and corporation finance, Professor Ruder has taught, written, and lectured on these subjects for more than 25 years. His knowledge and experience will be an enormous asset to the SEC. As dean of the Northwestern University School of Law until 1985, Professor Ruder designed and organized the Corporate Counsel Center to examine issues in corporate law and provide continuing professional education to corporate counsel. His scholarship is impressive, including more than 40 articles and 150 continuing legal education programs on corporate and securities matters that have provided practical guidance to all those involved in corporate finance. He has worked in private practice on securities matters with the Chicago firm of Schiff, Hardin & Waite and the Milwaukee firm of Quarles & Brady; served on the legal advisory committee to the board of directors of the New York Stock Exchange;

and served as consultant to the American Law Institute's Federal securities code project, responsible for proposing new civil liability provisions of the Federal securities laws. Most recently, Professor Ruder's teaching has focused on securities regulation, takeovers, and insider trading.

America's securities markets—the largest, most liquid, and efficient in the world—have provided the investment capital that has helped fuel the creation of 13 million jobs since 1982. The work of the Securities and Exchange Commission is of enormous significance to the promotion of investor confidence in this market and to the smooth running of this vital engine of free enterprise. I know that David Ruder, who has devoted his professional life to improving the operation of our securities markets and to the education of those who rely upon them, will enhance the deserved reputation and tradition of the SEC as one of our finest Federal regulatory agencies. Teacher, author, lecturer, lawyer, dean—Professor Ruder's career has well prepared him for his new task.

Nomination of David S. Ruder To Be a Member of the Securities and Exchange Commission, and Designation as Chairman

June 17, 1987

The President today announced his intention to nominate David S. Ruder to be a member of the Securities and Exchange Commission and to designate him as its Chairman.

Mr. Ruder is currently professor of law at Northwestern University School of Law in Chicago, IL. From 1977 to 1985, he was dean of the Northwestern University School of Law. He joined the faculty in 1961. From 1971 to 1976, Mr. Ruder was counsel to the

Chicago law firm of Schiff, Hardin & Waite; and from 1957 to 1961, he was an associate with the law firm of Quarles & Brady, Milwaukee, WI.

Mr. Ruder graduated from Williams College (B.A., 1951) and the University of Wisconsin (J.D., 1957), where he was editor-in-chief of the Wisconsin Law Review. He was born May 25, 1929, in Wausau, WI. He is married, has six children, and resides in Highland Park, IL.

Message to the Congress Transmitting the Annual Report on International Activities in Science and Technology

June 17, 1987

To the Congress of the United States:

In accordance with Title V of the Foreign Relations Authorization Act for Fiscal Year 1979 (Public Law 95-426), I am transmitting the Administration's eighth annual report of the international scientific and technological activities of U.S. Government agencies during Fiscal Year 1986. This report was prepared by the Department of State with information provided by relevant technical agencies, consistent with the intent of the legislation.

Science has always been an international enterprise. Today, as the rate of scientific discovery accelerates, the international character of science is even more pronounced than in the earlier decades of this century. Scientific progress and technological innovation underpin U.S. economic growth, trade, and our high standard of living. Our Nation's global competitiveness in the 21st century will depend on maintaining our comparative advantage in science and technology. If U.S. science and technology (S&T) is to remain the world's best, its participants must have full access to developments and scientific results produced elsewhere. In parallel, most countries see S&T expertise and capability as a key to their economic development and long-term competitiveness. They increasingly seek an S&T relationship with the United States to further their national goals. Accordingly, S&T cooperation is playing an increasingly prominent role in the conduct of our foreign relations and diplomatic initiatives throughout the world.

The Administration's international science and technology policy serves four primary objectives: (1) to strengthen the Nation's scientific and technological enterprise; (2) to enhance commercial relations and establish new trading partnerships; (3) to promote our foreign policy goals and improve our international relations; and (4) to protect and, where possible, enhance our national security. We believe that all of the industrialized countries of the world have a

responsibility to apply a portion of their economic and manpower resources to basic research to advance human knowledge and ensure humankind's continued ability to meet the challenges of the future. In international scientific agreements, we are working with our global partners to emphasize and implement the principles of equity and reciprocity of access to research and training facilities, experimental sites, information, and data. As specific agreements are negotiated or renewed, we strive to incorporate specific assurances that intellectual property rights will be protected. Such protection exemplifies the general principle of maintaining an equitable balance of contributions and rewards. Protection of intellectual property is also an indispensable element of an investment climate that fosters the rapid development of useful technologies applying the results of international scientific cooperation.

The Technology Transfer Act of 1986 is an example of how these principles will apply to international cooperative activities carried out in U.S. Federal laboratories. Specific provisions of the Act address such factors as safeguards for intellectual property and incentives to assure equity and reciprocity of access in international research collaboration. To ensure that the international cooperation actively pursued at such centers of excellence is truly a two-way street, the Act permits directors of Federal laboratories to take into consideration whether a foreign government permits U.S. entities to enter into cooperative research and development (R&D) arrangements and licensing agreements with comparable institutions. We will certainly encourage the Federal laboratories to look very closely at this as they proceed.

To fully exploit developments in science and technology from overseas, I issued Executive Order No. 12591 on April 10, directing the Department of State to develop a recruitment policy that encourages scientists and engineers from other Federal

agencies, academia, and industry to apply for assignments in U.S. embassies abroad. There is a wealth of qualified candidates whose professional careers bridge the domestic and international dimensions of science and technology. They can well serve the interests of our Nation as we collectively face the new challenges of the 21st century.

The task of formulating policies to harmonize international S&T activities with domestic programs and priorities poses a special challenge, given the decentralized nature of the U.S. R&D system. Recognizing the need for a mechanism to manage our resources in the international arena more effectively, my Science Adviser, in December 1985, established the Committee on International Science, Engineering and Technology (CISSET) of the Federal Coordinating Council on Science, Engineering, and Technology (FCCSET). This interagency forum commenced operations in early 1986. It is bringing high-level scientific and technical expertise and responsibility in the government to bear on critical international issues. By ensuring that senior policymakers oversee key international S&T issues and activities, the CISSET mechanism is helping to integrate international S&T activities into the framework of domestic R&D policy, consistent with the Administration's policy priorities and budget resources.

The United States formal S&T relationship with Japan dates back to the 1950's and to a large extent still reflects the relative scientific status of the two countries at that time. During 1986, the CISSET conducted a coordinated U.S. Government review of that relationship and recommended a policy framework for the next phase of bilateral cooperation under the auspices of our Presidential Science and Technology Agreement. CISSET's recommendations provided the foundation for negotiations with the Japanese that began in early 1987. We expect those negotiations to result in a more sharply focused program of joint research in areas of high priority and equitable benefits to both countries, with increased access by U.S. researchers to Japanese science and technology centers of excellence, commensurate with the range of access that our country has long afforded to

Japanese students and researchers.

China and the United States first signed an umbrella agreement on science in 1979. As of the end of Fiscal Year 1986, 27 technical protocols have been implemented covering a wide spectrum of science and technology activities. The umbrella agreement was extended for a second 5 years during Premier Zhao Ziyang's visit to Washington in January 1984. These S&T activities have been the cornerstone of our relationship with China, opening the door to beneficial interchanges in many areas outside the S&T arena. Since last year new agreements have been signed in water resources, nature conservation, and transportation. The next meeting of the U.S.-China Joint S&T Commission is scheduled for June 1987 in Beijing. We expect to discuss with the Chinese ways that the umbrella agreement can reflect the maturing of scientific relations between our two countries in the years since 1979.

In September, President Jose Sarney of Brazil and I announced an initiative to establish a joint panel of eminent scientists, engineers, and industrial experts to determine priorities for cooperation in areas of mutual strength and benefit. The panel met in April of 1987 and will meet again this summer. The panel's recommendations will be used to formulate an initial agenda to implement the 1984 U.S.-Brazil S&T agreement. It is in the long-term strategic interest of the United States to strengthen ties that have been traditionally strong with Brazil, but which have suffered setbacks during the era of Brazilian military rule. Brazil is poised to become a major power of the 21st century, and believes that science and technology is key to her economic aspirations. Although our countries are at quite different stages of industrial development, President Sarney and I share the conviction that strength in science and technology is crucial for sustained prosperity. Cooperation in this area affords an important channel for dialogue with Brazil regarding her responsibilities as a mature player in the global economy.

At my meeting with Soviet General Secretary Gorbachev in Reykjavik, we explored the potential for increased interaction in a

number of areas of science and technology. As we proceed with the Soviets, as well as the other Bloc countries, in such cooperative programs, our major objectives are to produce a scientific payoff for the United States, while protecting sensitive technology that could contribute to Soviet military objectives.

Bilateral cooperative agreements are only one facet of our scientific and technological activities in the international arena. To an increasing extent, issues of priority concern on the U.S. domestic scene also have international aspects and, thus, require coordinated attention and cooperation worldwide to achieve their solution.

Five years ago, a disease that has become known as AIDS was first identified in our country. Today, it affects all levels of society. Prevention and control of this devastating disease has become one of our Nation's highest public health priorities. However, AIDS is not a problem for the United States alone. AIDS is a worldwide epidemic. Alarm over its spread has spurred a concerted international effort to understand, control, and cure it. The United States is collaborating in the worldwide AIDS research and information dissemination campaign through direct bilateral activities and active participation in multilateral organizations.

The Chernobyl accident was an unprecedented international emergency that required urgent, immediate response and spurred international organizations to take action on many fronts. Notable among these was the action of the International Atomic Energy Agency to formulate conventions for notification and assistance. Through the leadership of the United States, there now is a better understanding of the incident and improved international cooperation on nuclear energy issues, including safety.

The year just ended saw continued close cooperation with the Soviet Union, the United Kingdom, and France to reduce the threat of nuclear proliferation. Five new signatories acceded to the Nuclear Non-proliferation Treaty during 1986. The United States was active in urging nations to institute and strengthen physical safeguards and urged cooperative programs to reduce the use of enriched uranium fuel in research

reactors. In bilateral negotiations with several key countries, significant progress was made toward achieving U.S. non-proliferation objectives to help ensure the security of the world.

Cooperation in space remained an important element of our international S&T activities in Fiscal Year 1986, despite the Challenger accident. At the end of October 1985, NASA launched the Spacelab D-1 mission for the Federal Republic of Germany. That mission marked the first dedicated Spacelab application and technology science mission launched for one of our allies. Participation of a Dutch payload specialist on the Spacelab D-1 mission marked the entry of the Netherlands into the manned space arena. Negotiations with our international partners for the flight hardware phase of Space Station continued during this time period.

In issues concerning the environment and natural resources, some problems can be solved through national efforts alone, but there is an increasing awareness of a number of problems that threaten the future well-being of the planet, which demand international cooperation on a regional or even global scale. Examples in the environmental area include transboundary pollution, the global carbon cycle, and Antarctic atmospheric phenomena. The United States is addressing these problems through research programs and policy discussions under multilateral and bilateral auspices and through specific agreements with our nearest neighbors, Canada and Mexico. In the area of natural resources, the United States is cooperating with other countries through a wide range of multilateral and bilateral programs in addressing a number of important problems including: deforestation, the depletion of the world's genetic resources, and desertification. A related issue is concern over the environmental implications of recombinant DNA technology. A major milestone was achieved with the adoption in July by the Organization for Economic Cooperation and Development Council (OECD) of a recommendation on recombinant DNA safety considerations. This recommendation is expected to foster harmonization of the regulatory infrastruc-

tures of OECD members and of other countries as well and help avoid barriers to international trade.

Our Nation's scientific and technological excellence is a great national asset that underpins our Nation's future economic prosperity and security. To make optimum use of this national asset, we must make wise and long-term investments at home and, at the same time, fully participate in the world's science and technology enterprise. Through international cooperation in science and technology, we can strengthen our future position in global markets and advance our foreign policy and national security goals.

This Administration is committed to strengthening our international relationships in science and technology to ensure that they advance our Nation's broadest interests as we approach the challenges and new opportunities of the 21st century. We shall continue to work closely with our international partners to generate the new knowledge and to apply the innovative technologies of the future to help solve the problems of mankind and ensure global prosperity and security.

RONALD REAGAN

The White House,
June 17, 1987.

Remarks at a Fundraising Reception for Senator Orrin G. Hatch of Utah

June 17, 1987

Senator Hatch, I thank you and Senator Boschwitz and the lovely lady who is with us here on the platform and ladies and gentlemen. Let me begin by thanking each of you—you've been thanked already, but I want to, too—for being here in support of an individual who is one of the most responsible and hard-working Members of the United States Senate, a man of deep principle whom I admire and whom I back 100 percent for reelection, Senator Orrin Hatch.

Mark Twain once told a group of young people: "Always do right. This will gratify some people and astonish the rest." Well, I don't know any elected official who has gratified and astonished more people than Orrin. He lives right, thinks right, and votes right, and he cares deeply about the people who sent him to Washington, and he's been working overtime on their behalf. Let me add that I have personal reasons to be grateful to the people of Utah. In 1984 they gave me a higher percentage of support than I received from any other State. We share the same western approach to life and liberty. We believe in limited government and unlimited opportunity, in low taxes and high growth, and we believe in a strong and prosperous America. And that's why the

people of Utah elected Orrin Hatch, and that's why they're going to reelect him in 1988.

When he got to Washington, Orrin Hatch didn't forget the folks back home. He didn't forget his ideals and convictions, and he didn't forget the value of hard work and high standards. As chairman of the Senate Committee on Labor and Human Resources, he held the line on Federal spending, sent block-grant programs to the States where they could be more efficiently managed, and made certain maximum benefit was received for every dollar spent. Under his firm leadership, the amount of money going into programs overseen by his committee has been reduced impressively. Let me just say that if every Member of the Senate were like Orrin Hatch, we'd be arguing over how to deal with a Federal surplus. And that's why I like to think of Orrin as "Mr. Balanced Budget." How about that, Orrin? [*Laughter*]

But clearly, all of his colleagues are not as responsible as the man that we honor today. I made a speech a while ago comparing their spending habits to those of drunken sailors. And then a number of my staff members told me that that was unfair to

drunken sailors—[laughter]—because they at least were doing it with their own money. [Laughter] Seriously though, it's clear that Congress is incapable of coming to grips with the challenge of deficit spending. It is time for structural change, for a line-item veto, and for a balanced budget amendment. Eighty-five percent of the American people say they want just that—think of that, a balanced budget amendment. Senator Hatch is one of the Senate's most articulate advocates of a balanced budget amendment. It's an idea whose time has come. It's an idea that was first thought of by Thomas Jefferson. He said it was the greatest omission in the Constitution that the government was not denied the right to borrow. Well, let's make old Tom happy. [Laughter]

The opposition, of course, claims that there's an easy way out: raising taxes. Orrin, I know you agree with this: Raising taxes to bring down deficit spending is kamikaze economics. Raising tax rates, when all is said and done, would leave our government with less, not more, revenue. It would crash into our economy, sink growth and job creation, and lower the tax base. We could end up with the worst of all worlds: higher taxes, higher deficits, higher unemployment, and economic decline. And all of that that I've just described was true before we reduced taxes. With the help of courageous and responsible elected officials like Orrin Hatch, we're not going to let the liberals do that to America again. One would think that the advocates of tax, tax, spend, spend learned a lesson from the near catastrophe that they brought on our country in the 1970's. Big government, huge bureaucracies, and central planning aren't the solutions; they are the problem.

I heard a story recently about a country that runs its economy that way. I am a collector of stories that I can establish are actually told by the people of the Soviet Union among themselves. And this one has to do with the fact that in the Soviet Union, if you want to buy an automobile there is a 10-year wait. And you have to put the money down 10 years before you get the car. So, there was a young fellow there that had finally made it, and he was going through all the bureaus and agencies that

he had to go through, and signing all the papers, and finally got to that last agency where they put the stamp on it. And then he gave them his money, and they said, "Come back in 10 years and get your car." [Laughter] And he said, "Morning or afternoon?" [Laughter] And the man that had put the stamp on says, "Well, wait a minute," he says, "we're talking about 10 years from now. What difference does it make?" He said, "The plumber is coming in the morning." [Laughter]

It's becoming more evident every day that collectivism is a dismal failure. Nowhere is that more clear than in Berlin, a bastion of freedom that I visited last week. The wall there divides a city, as you know, and imprisons a population. It's a monument to a repressive, stagnant system that today remains a force in the world only because of its military might and its power to subjugate and destroy.

The United States has been strong enough to deter aggression and maintain the peace, in no small degree due to the efforts of Orrin Hatch. He's been a champion of those who fight for freedom in Afghanistan, Nicaragua, Angola, and other Third World countries. He's been a strong voice for America and for preparedness. He's been a representative the people of Utah can be proud of. He's a dear friend and a talented public servant who's there when you need him. If I could ask the people of Utah, my fellow westerners, one last favor, to stand with me one last time, it would be in support of Orrin Hatch's reelection to the United States Senate.

Now, there's one thing I learned from "President" Dewey—[laughter]—was that you never count your votes before you have them. I've never taken Orrin Hatch for granted, and I would just hope that all of my fellow Republican friends in Utah never do that either. I know, Orrin, that you'll be running hard in this race, as you always have, presenting one of the best records in the United States Senate. And I thank you all for making certain that we keep him where he can do the most good for Utah and America. Keep him here in the United States Senate.

Orrin, good luck, and God bless you.

Note: The President spoke at 7:40 p.m. in the Grand Ballroom at the Sheraton Grand Hotel. In his opening remarks, he referred to Senator Rudolph E. Boschwitz of Minne-

sota and Helen K. Hatch. Prior to the reception, the President attended a fundraising dinner for Senator Hatch.

Executive Order 12598—Victims of Terrorism Compensation June 17, 1987

By the authority vested in me as President by the Constitution and laws of the United States of America, including Title VIII of the Omnibus Diplomatic Security and Antiterrorism Act of 1986 (Public Law 99-399, 100 Stat. 853) ("the Act"), and in order to provide for the implementation of that Act, it is hereby ordered as follows:

Section 1. The functions vested in the President by that part of section 803(a) of the Act to be codified at 5 U.S.C. 5569 are delegated to the Secretary of State.

Sec. 2. The functions vested in the President by that part of section 803(a) of the Act to be codified at 5 U.S.C. 5570 are delegated to the Secretary of State, to be exercised in consultation with the Secretary of Labor.

Sec. 3. The functions vested in the President by section 806(a) (to be codified at 37 U.S.C. 559), section 806(c) (to be codified at

10 U.S.C. 1095), and section 806(d) (to be codified at 10 U.S.C. 2181-2185) are delegated to the Secretary of Defense.

Sec. 4. The functions vested in the President by section 806(b) (to be codified at 10 U.S.C. 1051) are delegated to the Secretary of Defense, to be exercised in consultation with the Secretary of Labor.

Sec. 5. The Secretaries of State and Defense shall consult with each other and with the heads of other appropriate Executive departments and agencies in carrying out their functions under this Order.

Sec. 6. Executive Order No. 12576 of December 2, 1986, is hereby superseded.

RONALD REAGAN

The White House,
June 17, 1987.

[Filed with the Office of the Federal Register, 3:14 p.m., June 18, 1987]

Message to the Senate Transmitting the Pacific Island States-United States Fisheries Treaty June 18, 1987

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate to ratification, the Treaty on Fisheries Between the Governments of Certain Pacific Island States and the Government of the United States of America, with annexes and agreed statement, which has been signed by the United States and twelve Pacific Island states. Also transmitted for the information of the Senate are (a) a related economic assistance agreement with the South Pacific Forum

Fisheries Agency, (b) notes exchanged with the Governments of Papua New Guinea and Australia concerning fishing areas, and (c) the report of the Department of State with respect to the Treaty.

For the last several years, the United States has been involved in a fisheries dispute with several Pacific Island states as a result of conflicting laws regarding jurisdiction over highly migratory tuna. The Pacific Island nations claim jurisdiction over tuna within their 200-nautical-mile exclusive eco-

conomic zones. The United States neither recognizes nor claims jurisdiction over tuna beyond 12 nautical miles. As mandated by the Magnuson Fishery Conservation and Management Act, the United States Government has prohibited imports of tuna from several countries as a result of seizures of U.S. tuna boats by nations exercising jurisdictional claims. This dispute has resulted in a cycle of tuna vessel seizures and consequential U.S.-imposed trade embargoes that has resulted in serious erosion of our good relations with the countries of the region and has provided the Soviet Union with an opportunity to exploit these differences through fisheries agreements.

United States policy under the Magnuson Act has been to negotiate international agreements to ensure the effective conservation and management of tuna and to

secure access for U.S. fishermen to the stocks wherever they migrate beyond a narrow belt of coastal waters. The Treaty provides for the issuance of regional licenses for tuna fishing in some ten million square miles of the South Pacific Ocean. Data collected on tuna catch may provide a basis for future management and conservation efforts. It thus furthers U.S. fisheries policy goals while eliminating the primary source of bilateral friction between the United States and the Pacific Island states.

I recommend that the Senate give early consideration to the Treaty, with annexes and agreed statement, and give its advice and consent to ratification at an early date.

RONALD REAGAN

The White House,
June 18, 1987.

Appointment of Henry W. Maier as a Member of the Advisory Commission on Intergovernmental Relations

June 18, 1987

The President today announced his intention to appoint Henry W. Maier, mayor of Milwaukee, WI, to be a member of the Advisory Commission on Intergovernmental Relations for a term of 2 years. He would succeed Joseph P. Riley, Jr.

Since 1960 Mr. Maier has served as the mayor of Milwaukee, WI. He is recognized as a dean of American mayors and is the only mayor to head all three national municipal organizations: the U.S. Conference

of Mayors, the National League of Cities, and the National Conference of Democratic Mayors. From 1953 to 1960, he served as State senator.

Mr. Maier graduated from the University of Wisconsin (B.A., 1940; M.A., 1964). He served in the U.S. Navy. Mayor Maier was born February 7, 1918, in Dayton, OH. He is married, has two children, and resides in Milwaukee, WI.

Remarks at a Luncheon for Recipients of the National Medal of Arts

June 18, 1987

The President. Well, thank you, all of you, for being with us today on this third annual conferring of the National Medal of Art. Thanks also to the National Council on the Arts, for its work and for providing us with a fine list of nominees, and to our Committee on the Arts and Humanities and its

Chairman, Andrew Heiskell, for their help in furthering our cultural life. Finally, let me thank the Congress—in particular, Senator Edward Kennedy, who is graciously hosting the reception this evening—for joining with us in supporting the arts and in celebrating the achievements of our best

artists and their supporters.

We honor today seven artists and four patrons of the arts. We do this in the bicentennial year of our Constitution. The Constitution is the framework of our liberty and the guarantor of our rights. Its drafting two centuries ago was one of the few truly revolutionary acts in the annals of human government. And the great constitutional philosopher Herbert J. Storing has written that unlike any governing system before it the Constitution was "widely, fully, and vigorously debated in the country at large; and adopted by open and representative procedure." Here in America, that is, the people gave powers to the government, not the other way around.

Yes, here in America government existed from the very first moment to preserve and protect and defend the unalienable rights of man. The Constitution was not just a statement of policy or procedure. It showed the depth of the Founders on learning and grasp of culture, without which they couldn't have produced the Constitution. It should come as no surprise, then, that the Founders viewed the arts as essential elements of the new American nation. George Washington declared in 1781 that both "arts and sciences are essential to the prosperity of the state and to the ornament and happiness of human life." And Thomas Jefferson was himself an artist as well as a politician. And John Adams spoke of his duty to study "politics and war, that my sons may have liberty to study mathematics and philosophy, geography, natural history and naval architecture, navigation, commerce and agriculture, in order to give their children a right to study painting, poetry, music, and architecture."

Well, today it is John Adams' grandchildren's great-great-grandchildren who have that right. And let us resolve that our schools will teach our children the same respect and appreciation for the arts and humanities that the Founders had. Why do we, as a free people, honor the arts? Well, the answer is both simple and profound. The arts and the humanities teach us who we are and what we can be. They lie at the very core of the culture of which we're a part, and they provide the foundation from which we may reach out to other cultures

so that the great heritage that is ours may be enriched by, as well as itself enrich, other enduring traditions. We honor the arts not because we want monuments to our own civilization but because we are a free people. The arts are among our nation's finest creations and the reflection of freedom's light.

The National Medal of Arts is to recognize those among us who make this possible. So now, Nancy, who does such a fine job as honorary chairman of our Committee on the Arts and Humanities, will announce the honorees.

Mrs. Reagan. Romare Bearden was born in Charlotte, North Carolina, but grew up in Harlem, where he was influenced by the music and culture of jazz. University-trained in mathematics, in the end, he decided to become an artist. The New York Times wrote of his 1986 "Retrospective," that "Bearden's tapestries are about memory and forgetting, wisdom and laughter, silence and song." Romare Bearden is an exceptional artist, reflecting the American surroundings of his own life. Mr. Bearden. [*Applause*]

Ella Fitzgerald was born in Newport News, Virginia, and received her early music education in the public schools of Yonkers, New York. As a teenager, she won an amateur contest at Harlem's Apollo Theater, and within a year, she had an engagement with the Chick Webb Band. She's toured widely in this country and abroad, teaming with such greats as Louis Armstrong, Count Basie, and Duke Ellington. Ella Fitzgerald is indeed our First Lady of Song.

Howard Nemerov was born in New York City and graduated from Harvard University. He's authored over two dozen books and taught at several universities. His work covers the entire spectrum of American culture and rituals, including poems about trees, water, people, and science. He's also a scholar of Dante, Shakespeare, Wordsworth, and Blake. A Pulitzer Prize winner, Howard Nemerov is truly a great writer and scholar.

Alwin Nikolais was born in Southington, Connecticut, and received his first commission to choreograph in 1940. He served as

director of the Henry Street Playhouse for 22 years, and there he developed his form of abstract theatre. His career has now spanned four decades. Considered by many a revolutionary figure in the art of dance, Alwin Nikolais is an extraordinary part of that extraordinary American art form.

Isamu Noguchi was born in Los Angeles, but received his early education in Japan. He later apprenticed as a Guggenheim fellow with Brancusi, and he collaborated with Martha Graham, designing the sets for "Frontier." His unique sculpture bridges East and West. Committed to the art of our time, and yet an inspired reinventor of much that's ancient, Isamu Noguchi is a great artist and a great symbolic link between America and Japan.

William Schuman was born in New York City. He had his own jazz band and wrote popular songs in high school. And then he turned to symphonic music at 19, after hearing a concert of the New York Philharmonic. Mr. Schuman became president of the Juilliard School, establishing the Juilliard String Quartet and reforming the teaching of music theory. As a composer of 10 symphonies, 5 concertos, and many other works, and as a Pulitzer Prize winner, William Schuman's contribution to the music of America is enormous and lasting.

Robert Penn Warren was born in Guthrie, Kentucky. As a junior at Vanderbilt, he joined John Crowe Ransom, Allen Tate, and Donald Davidson, who edited the magazine *The Fugitive*. Mr. Warren has published 17 books of poetry and 10 novels. A recipient of 3 Pulitzer Prizes, 2 in poetry and 1 in fiction, Mr. Warren is our first Poet Laureate. His contributions to American letters are nothing short of extraordinary. Mr. Warren was unable to come today but has asked his friend, Mr. John Broderick, Assistant Librarian of the Library of Congress, to accept for him.

J. William Fisher was born in Marshalltown, Iowa, and was a composer in his early days. But he's best known as one who's spent a lifetime helping American opera, has been responsible for over 60 new opera

productions throughout the country. He's also funded a theatre complex at Iowa State University, a professorial chair of music at the University of Iowa, and a fine arts and theatre center in his home town of Marshalltown. Bill Fisher, your generosity is in the American tradition, and the art of opera is the better for it.

Dr. Armand Hammer was born in New York City and trained as a physician. He began his business career in the Soviet Union while waiting for his medical internship. After his return in the 1930's, he organized the Hammer Galleries. As a philanthropist—I seem to be having trouble with my words—[laughter]—Dr. Hammer has enriched the collections of many museums, and his humanitarian endeavors have had worldwide impact. Dr. Hammer couldn't be with us today, but he's asked Mr. William McSweeney, president of Occidental International Corporation, to accept for him.

Frances and Sydney Lewis have devoted a lifetime to supporting the arts. Frances was born in New York City, and Sydney in Richmond, Virginia, where they both now live. They've spent 25 years collecting contemporary paintings, sculpture, design, and decorative arts; and they've supported artists from all over the country. Their generosity and a portion of their collection provide the basis for the new wing of the Virginia Museum of Fine Arts in Richmond. Frances and Sydney Lewis, you continue the American tradition as great and sensitive volunteers for the arts.

The President. Well, now, Nancy, thank you, and thank all of you. Our honorees today have truly been leaders in writing the history of American freedom. So, all that's left for us to say now to all of you, in addition to congratulations to all of them, and a thank you to them for what they have contributed, and to all of you for being here also. Once again, thank you, and God bless you all.

Note: The President spoke at 1:34 p.m. in the East Room at the White House.

Remarks on Signing the Israel-United States Radio Relay Station Site Agreement

June 18, 1987

Well, I want to welcome Minister Yaacobi, and Director-General Gov, Professor Rubenstein, and all the other distinguished guests. And I'm delighted that the exchange of letters between myself and then-Prime Minister Peres some 2½ years ago has now come to fruition in this agreement for a relay station in Israel, through which the reach and clarity of the Voice of America, Radio Liberty, and Radio Free Europe will be so significantly enhanced. Peoples throughout the Eastern blocs will be the beneficiaries.

My administration, with the kind of bipartisan congressional backing that I would certainly welcome for all our programs, remains dedicated to the long overdue modernization of our international broadcasting capability. Israel's fine gesture has now made a major contribution to that worldwide effort. With this signing, our special historical relationship will be given another dimension. We could not be happier in this partnership with Israel, because it will result in the broader dissemination of those values which we have in common. We stand now together in promoting the exchange of information and ideas throughout the world, as we have stood before and will continue to stand as partners in seeking the free movement of people and the promotion of democratic values and beliefs.

Our international broadcasts are dedicated to presenting, through news and fea-

tures, an objective picture of American society and, through commentary, a clear statement of American policies and positions on major world issues. To those deprived of the right to express or experience a diversity of views in their own societies, we offer the chance to hear such. At the bottom of it all lies the conviction that the fewer the barriers to communication in the world, the better the chance for success in international relations. I have often expressed that as it's better to be talking to each other than instead of talking about each other.

We owe the Government of Israel our gratitude for being host to the site, and I ask its distinguished representatives here today to convey that to Prime Minister Shamir and others in their government who played major roles in advancing the project. To the negotiators on both sides, my congratulations. And to all of you, my best wishes for the future of this new cooperative venture.

And now, I think we shall all witness the signing. Let me know if you need any old movies. [*Laughter*]

Note: The President spoke at 3:45 p.m. in Room 450 of the Old Executive Office Building. In his opening remarks, he referred to Israeli Minister of Communications Gad Yaacobi, Director-General Ben-Ami Gov of the Ministry of Communications, and former Minister of Communications Amnon Rubenstein

Statement on the Proposed Federal Budget

June 18, 1987

On Monday night I called on the Congress to come up with a responsible budget and to offer meaningful reforms on the Federal budget process. Some of the response from Capitol Hill was that "The President is playing politics." Well, the Con-

gress heard part of the message, and yesterday reached an agreement on a spending plan. But it is clear that there are differences in our priorities. These differences will be resolved once we have a credible, reliable, and enforceable budget process.

The budget Congress is about to adopt raises taxes \$21 billion next year and \$73 billion over the next 3 years. On the spending side, there is an additional \$43 billion for domestic spending and no new funding for defense. In fact, if Congress has its way, national security will decline in real terms for the third year in a row. Their price for meeting our national security needs is this: For every \$1 of defense, it will cost \$10 in new taxes; that's an offer I can refuse.

And what about reducing the Federal deficit? Only through new taxes, and not

through spending restraint, can Congress come up with a plan. That is why I said we are at a breakpoint. The American people don't want more spending; they want better results. And anyone who tells you we can't cut the deficit without raising taxes or attacking defense is just not telling you the truth. This budget battle is all about making the next 4 and 8 and 20 years as good as the last 4. Continued opportunity and growth for a generation—that's what is at stake.

Remarks to Reporters on the Proposed International Trade Bill

June 19, 1987

I have a brief statement here, and I will not be taking any questions, because we're already quite behind schedule, and the morning is early.

The trade bill that was recently passed by the House of Representatives would move us exactly in the wrong direction: toward high tariffs and trade barriers, trade-distorting subsidies that slow growth and shrink world markets, destroy jobs. And I would have no choice but to veto that bill in its present form.

The administration has been working closely with the various Senate committees, as you know, to craft a bill that enhances

prospects for U.S. exports. But we've some problems that we'll be discussing here today. And the United States cannot and will not allow itself to become party to a trade war. We must continue to go forward on a positive course, opening up markets where they're closed, working to expand world trade and the millions of jobs it creates rather than shrinking the global economy and sending millions out of work.

Note: The President spoke at 9:40 a.m. in the Cabinet Room at the White House, prior to a meeting with the Republican congressional leadership.

Appointment of Two Members of the Advisory Committee for Trade Negotiations

June 19, 1987

The President today announced his intention to appoint the following individuals to be members of the Advisory Committee for Trade Negotiations for terms of 2 years:

David M. Roderick, of Pennsylvania. He would succeed Edward E. Allison. Mr. Roderick is currently chairman of the board of directors and chief executive officer of the USX Corp. in Pittsburgh, PA. Prior to this, he was president of U.S. Steel, 1975–1979. Mr. Roderick graduat-

ed from the University of Pittsburgh (B.S., 1946). He was born May 3, 1924, in Pittsburgh, PA. Mr. Roderick is married, has three children, and resides in Pittsburgh.

Mark Shepherd, Jr., of Texas. He would succeed Simon C. Fireman. Mr. Shepherd is currently the chairman of Texas Instruments, Inc., in Dallas, TX. Prior to this he was chairman and chief executive officer (1976–1984) and chairman and chief corporate officer (1984–1985) of Texas Instruments, Inc. Mr. Shepherd graduat-

ed from Southern Methodist University (B.S., 1942) and the University of Illinois (M.S., 1947). He served in the U.S. Navy during World War

II. Mr. Shepherd was born January 18, 1923, in Dallas, TX. He is married, has three children, and resides in Dallas, TX.

Informal Exchange With Reporters

June 19, 1987

Reporter. Mr. President, what do you think of the Supreme Court's decision on rejecting the teaching of creationism in public schools? Did you see it?

The President. I haven't seen that.

Q. Mr. President, how concerned are you about the situation in South Korea? Have you conveyed your concerns to President Chun?

The President. Well, I shouldn't be taking questions here now, but obviously we're very concerned.

Q. Have you sent a letter to the President

of South Korea?

The President. I'm not going into any details of what we might have done or not done.

Translator. Journalists take advantage of every situation, Mr. President.

The President. Oui. [Laughter]

Q. And why not? [Laughter]

Note: The exchange began at 11:35 a.m. in the Oval Office at the White House, prior to a meeting with President Hisssein Habré of Chad.

Proclamation 5669—National Dairy Goat Awareness Week, 1987

June 19, 1987

By the President of the United States of America

A Proclamation

We can all be grateful for the significant contributions to our economy made by farmers and others who raise dairy goats and market dairy goat products. American farmers currently raise roughly 250,000 of these hardy animals, which can thrive even in harsh areas and have a long association with our country. Columbus and Cook and other famed explorers carried dairy goats aboard their ships for milk and meat, and pioneers and settlers transported them to every part of our land.

Dairy goat products are increasingly popular as items for export and for domestic use. The number of producers of goat cheese, or Chevre, is rising. An extraordinary variety of American-made goat cheeses is available, as are goat milk, ice cream, and yogurt.

In recognition of the value of dairy goats, the Congress, by House Joint Resolution 17,

has designated the period beginning the second Saturday and ending the third Saturday of June 1987 as "National Dairy Goat Awareness Week" and authorized and requested the President to issue a proclamation in its observance.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the period beginning the second Saturday and ending the third Saturday of June 1987 as National Dairy Goat Awareness Week. I call upon the people of the United States to observe this week with appropriate programs, ceremonies, and activities.

In Witness Whereof, I have hereunto set my hand this nineteenth day of June, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 4:31 p.m., June 19, 1987]

Proclamation 5670—American Gospel Arts Day, 1987 June 19, 1987

*By the President of the United States
of America*

A Proclamation

Gospel music is a uniquely American art form, a fusion of the music and culture of Africa and Europe. The rich sound and vibrant rhythms of Gospel music have influenced the directions of popular music in America and indeed around the world. Born in black American church communities across our country, Gospel music has long been a popular influence, bringing joy to countless people, symbolizing a source of peaceful social change, and affirming the place of black American culture in our Nation's artistic heritage.

Today in churches, Gospel music enlivens and enriches the spirit of worship, a moving and expressive example of spontaneous celebration through song and prayer. The performance of Gospel music is a heritage well worth preserving for future generations, so they can know and share in one of our most beloved musical traditions.

In recognition of the importance of Gospel music to the history of American

music, and of the traditional observance of June 19 as a special day of appreciation of the black American cultural heritage with which Gospel music is so strongly identified, the Congress, by House Joint Resolution 106, has designated June 19, 1987, as "American Gospel Arts Day" and authorized and requested the President to issue a proclamation in observance of this event.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim June 19, 1987, as American Gospel Arts Day. I call upon the people of the United States to observe this day with appropriate ceremonies, programs, and activities.

In Witness Whereof, I have hereunto set my hand this nineteenth day of June, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 4:32 p.m., June 19, 1987]

Proclamation 5671—National Farm Safety Week, 1987 June 19, 1987

*By the President of the United States
of America*

A Proclamation

We Americans know that our efficient farmers each supply food and fiber for more than 100 people, including many who live abroad. We know too, sadly, that farming and ranching have always been hazardous occupations—that every year agricultural producers suffer a disproportionate number of serious and often fatal injuries and illness-

es during work, travel, and recreation, and that an additional toll is extracted in property damage, time loss, and medical costs. We do find that accident rates are declining, however, and this good news can help us further promote farm and ranch safety.

Most accidents and work illnesses can be prevented, often by simple and inexpensive or no-cost measures. Protective equipment, used in many industries to help assure worker safety and health, proves equally

useful on farms and ranches if always used when jobs or working conditions call for it. Complex preventive measures are rarely required, and safety and health information is available from many local sources. But best of all, of course, is exercising appropriate care in all daily activities to protect ourselves from potential hazards ahead of time.

Now, Therefore, I, Ronald Reagan, President of the United States of America, by the authority vested in me by the Constitution and laws of the United States, do hereby proclaim the week of September 20 through September 26, 1987, as National Farm Safety Week. I urge all those who live and work on farms or ranches to take necessary precautions to protect their safety and health, both on the job and off, both at home and on the roads. I also urge every-

one allied with agriculture to strengthen their safety and health efforts by example and by educational programs. I encourage all Americans to participate in appropriate events and activities in observance of National Farm Safety Week and to note the vast contributions Americans in agriculture make to our Nation.

In Witness Whereof, I have hereunto set my hand this nineteenth day of June, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 4:33 p.m., June 19, 1987]

Remarks Following Meetings With President Hissein Habré of Chad June 19, 1987

President Reagan. We welcome President Habré to Washington as the leader of a nation that has recently beaten back the violent aggression of an outlaw state. In winning its stunning victories, Chad has acted to preserve its freedom and handed a forceful message to aggressors. That message is: African nations will defend their sovereignty and foreign aggression will be defeated.

In our discussion today, President Habré and I reviewed some of the events that led to this aggression. We also discussed the current situation in Chad. The United States has proudly joined France, Zaire, Egypt, and other friends in the effort to provide President Habré's government the means to fight and win. Although the struggle is not over, we believe the victories on the Chadian desert bode well for peace and stability in Africa. Chad's triumph underscores the valor of the Chadian people and makes clear that they and other African peoples will remain free and independent.

Chad's accomplishment is admired by the free world and will benefit all of Africa. By shoring up regional stability, Chad has

helped its neighbors, who now can focus more of their energy and resources on country-building endeavors. Unfortunately, Chad and neighboring countries must remain vigilant against new threats, but Chad now knows it can count on its friends. For our part, the United States is committed to maintaining an appropriate level of security assistance to Chad.

In our meetings, President Habré and I also looked to his country's future economic and development needs. Years of warfare have left Chad's economy in ruins. Reconstruction efforts have been set back by a cycle of severe drought, locust plagues, and other problems. For our part, the United States has tried to help to the degree possible in each emergency, yet the challenge remains great. Today we maintain an innovative, flexible program of development aid and budgetary support for Chad in an effort to move its fundamental economic situation.

Today President Habré emphasized that his government is committed to building a better life for the Chadian people, committed to reconstruction and economic growth. I assured him that we will continue to do

our best, to work with France and other steadfast partners in the international effort to help reach President Habré's laudatory goals.

President Habré and I discussed a number of issues of international and regional concern, as well. We noted, for example, that this week marks the anniversary of the terrible riots in the South African township of Soweto. It is our mutual hope that the parties in South Africa will show the courage to work toward a peacefully negotiated end to the scourge of apartheid.

Finally, the friendship between Chad and the United States reflects our shared commitment to freedom and international cooperation. President Habré and I are convinced that the relationship between our countries will continue to be strong and productive, one which will serve the interests of both our peoples. It was an honor and a great pleasure to have had him here as our guest.

President Habré. Mr. President, may I, first of all, thank you for your very kind words directed to me and for my country. May I also express my thanks to you very sincerely for the invitation that you extended to me to visit your country and to tell you how honored I am by your very warm welcome and by the very special attentions bestowed upon my delegation and myself since we arrived in your great country, the United States, pioneer in the struggle for independence and champion of the defense of freedom. In this connection, Mr. President, may I say, at the risk of hurting your modesty, that your vigorous action at the head of the United States has enabled you to give new luster to these essential values: the independence of all people, liberty of all nations. Our visit is also an excellent illustration of the strong and very good relation of friendship, cooperation, and solidarity that are so active and so interactive between our two countries.

Mr. President, the constant and varied assistance and support of the United States has been very valuable to us in our legitimate struggle for the defense of our dignity, of our independence, and of the integrity of our territory against Libyan expansionism and colonialism. And this is, indeed, the place, Mr. President, to express our deep

gratitude to yourself, Mr. President, to the American people, for your solidarity with the people of Chad, who were so unjustly aggressed and humiliated. It is, indeed, thanks to your firm commitment and that of our other friends on the side of justice and law—it is, indeed, because of that that the Chadian people yesterday recovered the greatest part of the territories that had been taken away.

As you yourself have stressed so aptly, Mr. President, Chad remains under threat and must pursue its fight in order to put an end once and for all to encroachments upon our freedom and in order to live in peace. I know, therefore, with great gratification after my discussion with President Reagan, the reaffirmed determination of the United States to help Chad complete the national liberation task and tackle, in a lasting manner, the battle for the economic and the social development of our nation to foster the welfare of our people.

Mr. President, we in Chad, as you in the United States, cherish to the highest degree, peace, freedom, justice, protection of human rights; and we firmly believe in coexistence among nations and peoples. Because Chad has suffered and continues to suffer in body and soul from the lack of peace and the violation of these rights, we feel great solidarity with all those who are victims of oppression and racism—wage their own liberating struggle. And we know what an important and determining role you, President Reagan, and your country play in this entire process so that mankind will be immune from the major threat against it.

That is why we are greatly confident to know that relations between the United States and Chad are of the most excellent character and that we are determined to work together to give them new impetus in strengthening our cooperation so that we may help bring about a world with greater justice and solidarity.

Thank you.

Note: President Reagan spoke at 1:25 p.m. at the South Portico of the White House. President Habré spoke in French, and his

remarks were translated by an interpreter. Earlier, the two Presidents met in the Oval

Office. Following their meeting, they had lunch in the Residence.

Message to the Senate Returning Without Approval the Fairness in Broadcasting Bill

June 19, 1987

To the Senate of the United States:

I am returning herewith without my approval S. 742, the "Fairness in Broadcasting Act of 1987," which would codify the so-called "fairness doctrine." This doctrine, which has evolved through the decisional process of the Federal Communications Commission (FCC), requires Federal officials to supervise the editorial practices of broadcasters in an effort to ensure that they provide coverage of controversial issues and a reasonable opportunity for the airing of contrasting viewpoints on those issues. This type of content-based regulation by the Federal Government is, in my judgment, antagonistic to the freedom of expression guaranteed by the First Amendment.

In any other medium besides broadcasting, such Federal policing of the editorial judgment of journalists would be unthinkable. The framers of the First Amendment, confident that public debate would be freer and healthier without the kind of interference represented by the "fairness doctrine," chose to forbid such regulations in the clearest terms: "Congress shall make no law . . . abridging the freedom of speech, or of the press." More recently, the United States Supreme Court, in striking down a right-of-access statute that applied to newspapers, spoke of the statute's intrusion into the function of the editorial process and concluded that "[i]t has yet to be demonstrated how governmental regulation of this crucial process can be exercised consistent with First Amendment guarantees of a free press as they have evolved to this time." *Miami Herald Publishing Co. v. Tornillo*, 418 U.S. 241, 258 (1974).

I recognize that 18 years ago the Supreme Court indicated that the fairness doctrine as then applied to a far less technologically advanced broadcast industry did

not contravene the First Amendment. *Red Lion Broadcasting Co. v. FCC*, 395 U.S. 367 (1969). The *Red Lion* decision was based on the theory that usable broadcast frequencies were then so inherently scarce that government regulation of broadcasters was inevitable and the FCC's "fairness doctrine" seemed to be a reasonable means of promoting diverse and vigorous debate of controversial issues.

The Supreme Court indicated in *Red Lion* a willingness to reconsider the appropriateness of the fairness doctrine if it reduced rather than enhanced broadcast coverage. In a later case, the Court acknowledged the changes in the technological and economic environment in which broadcasters operate. It may now be fairly concluded that the growth in the number of available media outlets does indeed outweigh whatever justifications may have seemed to exist at the period during which the doctrine was developed. The FCC itself has concluded that the doctrine is an unnecessary and detrimental regulatory mechanism. After a massive study of the effects of its own rule, the FCC found in 1985 that the recent explosion in the number of new information sources such as cable television has clearly made the "fairness doctrine" unnecessary. Furthermore, the FCC found that the doctrine in fact *inhibits* broadcasters from presenting controversial issues of public importance, and thus defeats its own purpose.

Quite apart from these technological advances, we must not ignore the obvious intent of the First Amendment, which is to promote vigorous public debate and a diversity of viewpoints in the public forum *as a whole*, not in any particular medium, let alone in any particular journalistic outlet. History has shown that the dangers of an overly timid or biased press cannot be

averted through bureaucratic regulation, but only through the freedom and competition that the First Amendment sought to guarantee.

S. 742 simply cannot be reconciled with the freedom of speech and the press secured by our Constitution. It is, in my judgment, unconstitutional. Well-intentioned as S. 742 may be, it would be inconsistent with the First Amendment and with the Ameri-

can tradition of independent journalism. Accordingly, I am compelled to disapprove this measure.

RONALD REAGAN

The White House,
June 19, 1987.

Note: The message was released by the Office of the Press Secretary on June 20.

Radio Address to the Nation on Budget Reform

June 20, 1987

My fellow Americans:

Recently, Washington has been covered by miniplagues of insects. First, there were boll weevils and gypsy moths in '81 and '82; they were good guys. Now there are cicadas. Cicadas, it seems, come in cycles. Their larvae bury deep into the ground and only hatch out every 17 years. They're big, awkward, flying things and, in large numbers, make a loud, screeching sound that reverberates in the humid Washington air. I think most everyone would agree things will be much more pleasant when the cicadas go back underground.

Well, I'm afraid that, like the cicadas, the big spenders are hatching out again and threatening to overrun Congress. For awhile, they seemed to have gone underground. The deficit reduction law, Gramm-Rudman-Hollings, helped keep them under control and, well, nobody wanted to repeat the mistake of one Presidential candidate who called for higher taxes. Now, however, the tax-and-spend crew is back, and they seem to have lost all embarrassment about taking your money on a spending spree. And one Congressman has called for so many tax increases since January that his colleagues derisively refer to his Tax of the Month Club.

Last Monday, I called on Congress to come up with a responsible budget. Well, the House-Senate conference committee reached an agreement on a budget all right, but responsible it isn't. Forty-one billion dollars in increased domestic spending, with

essential defense programs held captive to a \$64 billion tax hike—book-balancing gimmicks that will actually cost you \$2 billion in the long run. And, by their own estimates, they're not even close to Gramm-Rudman-Hollings deficit limits. We're willing to work with those in Congress who will work with us in good faith. But this budget is as bad as they come—like a bad sequel to the tax-and-spend follies of the 1970's.

Let me give you a few examples of the brazen waste of your money that's been going on in Congress. Take the [Urban Development Action Grant] UDAG program—\$5.7 million will go to build rental units in a development in Palm Beach County. Five million dollars will go to develop a hotel, a lakefront restaurant, office space, and condominiums on Seneca Lake. More millions will go to help build luxury apartments in Newburgh, New York, and residential housing in the Riverside section of Detroit. But some of the waste is even more absurd. Did you know that your Congress wants to spend millions of dollars to purchase submerged lands? That's right, thanks to your Representatives, the Federal Government could become the proud owner of a thousand acres of underwater property.

I've spoken frequently of the so-called demonstration projects in the highway bill, which don't demonstrate anything but the ability of some in Congress to bring home the bacon. But today I want to let you in on a naughty, little secret about agricultural subsidies: One of the biggest recipients of

agricultural subsidies in America isn't even an American. He's the Prince of Liechtenstein, and he happens to own a few hundred thousand acres in Texas. Do you think that you and your hard-earned tax dollars should be feathering his bed?

And all of this is just the tip of the iceberg—or the top of the pork barrel. The deeper you go, the worse it gets. Yet some in Congress can still stand up with a straight face and say that they can't find anywhere to cut except, of course, national defense. And, so, your taxes will have to be raised.

Some say the deficit is the responsibility of the President. Well, the fact is, according to the Constitution, the President can't spend one nickel. Congress appropriates every cent in the budget and every single cent that makes up our deficit. Every year we consult with the people in the Cabinet and the agencies, the people who actually run these programs. We ask them what they need and then put together a responsible budget. Each year, Congress an-

nounces—sometimes before they even see it—that our budget is dead on arrival. Then they put together their own budget. I have a choice: Take it, pork and all, or veto it, and see the entire United States Government grind to a halt.

This is no way to run a country. This is why, in the coming weeks, I'll be taking my case to you, the American people, asking for your support to bring fiscal sanity back to our government. I'll be talking about your economic bill of rights. The right not to be overtaxed, overspent, and overregulated—and the mechanisms that can ensure those rights, like the balanced budget amendment with a tax limitation clause, the line-item veto, and other reforms of the budget process. I'll be counting on your support. Like tax reform, we can, and we will, win this one. Let's make the cicadas in Congress go back underground.

Until next week, thanks for listening and God bless you.

Note: The President spoke at 12:06 p.m. from Camp David, MD.

Remarks at the Ford's Theatre Fundraising Gala June 21, 1987

I didn't know I was going to be called upon, so I prepared. [*Laughter*] It is a pleasure for me to be here tonight, especially now that everybody knows I'm with the hottest date around. [*Laughter*] You know, that poll about all those young fellows who'd like to go out with Nancy didn't surprise me one bit.

You know, I'd never met Nancy before I called for her on the night of our first date; it was a kind of blind date. In fact, in case things just didn't click, I had told her on the phone that I had a really early call in the morning on the set, and so it would have to be a short evening. And she told me the same thing about herself. [*Laughter*] My half of the story was a bit hard to believe because, due to a broken leg I'd had recently, I arrived on crutches. [*Laughter*] Well, as the evening wore on, we forgot all about

those early morning calls; we stayed out till the wee hours of the morning. As a matter of fact, we were in a Hollywood nightclub at 2 a.m. in the morning, listening to Sophie Tucker. [*Laughter*] And she's been the leading lady of my heart ever—Nancy, not Sophie. [*Laughter*]

But the entertainment industry is still something special for us both, even more so just because it brought us together. But it's also special to our country. Some people suggest that we Americans are a little brash about how proud we are of our freedom. And, yes, sometimes we are. Yet, look all over our land, and you'll see people enjoying that freedom, entertaining others, enriching their communities, and making life a little more fun. Hollywood and Broadway have produced some magnificent films, stage plays, and musicals—entertainment

applauded by audiences the world over. Those films help us with our balance of payments, I can tell you that. I myself have performed in films that have played in foreign markets, although I understand in Japan that "Cattle Queen of Montana" lost something in the translation. *[Laughter]*

But entertainment covers a broad range of artistic endeavors, big and small. Let it never be overlooked that our freedom also manifests itself in the off-Broadway productions, the community theaters, church plays and choirs, the street entertainers, the circuses, and all those comedy acts and musical groups that can be found in towns and hamlets all across America. In many countries, entertainers are not so free. They often must have their performances approved by government officials. Not long ago, we had dinner with Yakov Smirnoff, a comedian from the Soviet Union—now a proud United States citizen practicing his trade here in this new country. Yakov remembers how he was required to get official approval for all the material that he would use in the year ahead. Annually, he would traipse to a bureaucratic enclave in the Ministry of Culture called—and this is a rough translation—the Department of Humor. *[Laughter]* That's no joke—the Department of Humor. Yakov says the only advantage that Soviet comedians have is that they're always playing to a captive audience. *[Laughter]*

Well, in our country people are free to

speak and free to tell a joke, even if it tweaks the nose of a government official. And you thought that scar on my nose was from too much sun. *[Laughter]* Our good humor is one of our greatest national assets, and entertainment has been a lively part of the American scene from our earliest days. And for all those American entertainers of yesterday, today, and tomorrow, Ford's Theatre represents their important contribution to our way of life. This theater continues a great American tradition and broadens appreciation for the theater arts. So, Nancy and I extend to you our deepest appreciation for your help in maintaining this historic site.

Thanks to all those who performed for us tonight. When I saw David Copperfield hanging there in midair over that sword, I know that he now understands what it feels like to be a candidate for public office these days. *[Laughter]* Seriously though, this has been a wonderful evening for a worthy cause. A special word of appreciation to Joy Baker, Betty Wright, Millie O'Neill, Carol Laxalt, for their commitment to Ford's Theatre; and also to Mary Jane Wick and Frankie Hewitt for all the hard work they put into making this the memorable show that it has been.

So, a thank you to all of you. God bless you all.

Note: The President spoke at 9:25 p.m. at Ford's Theatre.

Remarks on Arrival in Melbourne, Florida

June 22, 1987

Thank you all very much for coming out here on a very nice day—but a nice warm day. I'm most grateful to you. You know, I think maybe I ought to tell you a little bit about what I'm doing traveling around right now and trips like this so that you'll understand. I think it's kind of decision time in Washington. And the decision that has to be made is how we're going to get our fiscal house in order without overburdening the people of this country with

taxes. I've brought along your fine Congressman Bill Nelson, who's here with me. Of course, I'm taking a chance on getting him out of there when there's so many people up there on the other side. I know what side he's on, and he's on the right side with regard to taxes and what we're trying to do.

Very briefly—because I know I have to move on—very briefly, we think the time has come to recognize that there are some

things lacking in the budget process in Washington. Over 80 percent of the people, if we believe the polls, believe that we should have an amendment to the Constitution that says the Federal Government cannot borrow money and go in debt. And so far, we haven't been able to get action on that. But if you show some interest in it to the people in Washington, we can.

The second thing is another one that I want to explain a little bit, because I've just been told that a lot of people don't know what I'm talking about when I say that the President ought to have a line-item veto. Well, the line-item veto simply means that when they're passing a piece of legislation that ordinarily the President would want to sign and be able to sign, but then somebody

sticks a couple of spending measures in there that have nothing to do with the original bill, the President ought to have the right to sign that bill after he has vetoed those particular spending measures and gotten them out of the bill. Well, that's what I'm going to be talking about to the other people that I'll be meeting today.

But right now, once again, I just want to thank you. This is very heartwarming for this kind of welcome, and I'm most grateful—try to be deserving of it. *[Applause]* All right. Thank you all. Goodbye, and again, thanks. God bless you.

Note: The President spoke at 11:13 a.m. at Melbourne Regional Airport.

Remarks at the Dictaphone Corporation Employee Appreciation Day Picnic in Melbourne, Florida

June 22, 1987

The President. Thank you all very much, and I want to give special thanks to Mark Breslawsky and Cliff Peterson for inviting me down here for this tour. It's a pleasure to be in the district of Congressman Bill Nelson and the State of Bob Martinez, a rising star in the Republican Party of whom we're all very proud. And I'm especially happy to be here, because I hear that Dictaphone is celebrating its 100th anniversary next year, and I'm always glad to be addressing something that's older than I am. *[Laughter]* Speaking of venerable institutions, Cliff introduced me to an employee named Evelyn Boot, who is 72 years old and has been working here since a year after the plant opened. And I just want to say congratulations, Evelyn. I've got a few years on you—*[laughter]*—I'm a little older than that myself. But you have one advantage: My job has a mandatory retirement clause. *[Laughter]*

You know, back before I got my present job, I worked on a television program for 8 years that was called the "GE Theatre"—"General Electric Theatre." And I would spend about 10 or 12 weeks every year, as

part of the job, traveling around the country and visiting the workers in the some 139 GE plants. And I saw then, as I've seen here today, the real source of economic growth and productivity. It won't be found in government or in some bureaucracy. It's America's workers and entrepreneurs and companies like yours that are making it happen. And boy, is it happening! America has created over 13 million new jobs in the last 4½ years. That's an average of 250,000 jobs a month, and that's an astounding fact. Meanwhile, America's manufacturing productivity is shooting ahead at the fastest rate in 20 years, and in 1986 we outstripped our international competition. Together with tax cuts and solid economic growth, that means rising take-home pay for America's families.

The Europeans talk enviously of what they call—to my face they have called it the American miracle. Well, I've seen an example of that miracle here today: a company where the entire staff has worked together as a team to create an impressive 70-percent increase in productivity in the last 4 years. Harnessing the latest technology,

you've kept product costs down, boosted sales at home, and stayed competitive abroad; and in the process, this plant has been able to literally double its manufacturing jobs. Doubling employment, surging productivity, increasing competitiveness, a team spirit and shared goals—you've got a miracle of your own going right here and something that you can all be very proud of. But this miracle—all you've worked so hard to accomplish, all America has worked so hard to accomplish in the last 6½ years—all of this is now in jeopardy. I've got something to say, and I'm going to use plain language. I'm not going to pull any punches. There are some people up in Washington who seem determined to destroy our economic expansion and send us right back into the "malaise," as they called it themselves then, and the "stagflation" of the 1970's.

There are two dangers looming ahead. One is the trade bill passed by the House recently. It can only be described as anti-jobs, antigrowth, and anticonsumer. And the Senate will soon be taking up their own trade legislation. It's essential they go the positive route with a bill that opens markets rather than shutting them down, a bill that is projobs, progrowth, proconsumer—in a word, protrade. The second danger confronting us will sound familiar: that old-time deficit spending. Some in the Congress are reverting to their old habits of tax and tax and spend and spend, and I have one Member of the Congress with me who's not one of those I'm just talking about. He's on the other side—our side. Those others are squandering your hard-earned money on politically motivated spending projects and special interest payoffs. And to pay for it, they're proposing to saddle you, the American people, with a bill for an extra \$100 billion in taxes over the next 4 years.

Well, I say: No way! No way are the American people going to be made to foot the bill for the tax-and-spend crew on Capitol Hill. Now, I have to tell you, some in Congress are standing against this tax tide. When I visited the Republican Senators last week, they gave me a giant veto pencil especially designed to take care of tax hikes. I'm keeping that pencil at the ready in my desk, and believe me, any tax hike bill that

makes it into the Oval Office won't make it out alive. So, the tax-and-spend crew might as well just face the facts: There isn't going to be any tax hike in this administration. What there is going to be is a Capitol Hill cleanup, a radical reform of the budgetary politics that pays for today's excesses with tomorrow's money.

That so-called budget process has become an embarrassment to the American way of governing. You wouldn't put up with it in your plant here for a minute and a half. Last week I addressed the American people and said we have to put a stop to this kind of thing. We've reached breakpoint, decision time, and that's why I've come to you, the American people. I'm asking for your support to put pressure on Congress to bring the reliability and credibility to the Federal budget process. Just as we did with tax reform, we're going to be traveling the country, stumping for fairness for the American people. We got the special interests out of the tax code; now let's get them out of the budget. Let's demand an economic bill of rights so that congressional taxing and spending can never again endanger our livelihoods. Let's ensure your right to a free economy, an economy of growth and opportunity for you, your children, and your children's children. Let's make sure that miracles like the one taking place right here will keep happening across America, creating jobs and hope and a better future for all of us.

Now, what can you do? Well, you can write letters. You'd be surprised how important they are. Bill Nelson can tell you how important they are. Now, to some, you should be writing letters telling them to get off the dime and do what they should be doing. But it wouldn't hurt if you wrote some letters of "thank you" to your Congressman here, because he is doing what's right and trying to help all of you. And it won't hurt his colleagues to see that kind of mail coming to someone who is doing what's right. But I'm not going to take anymore of your time here. I've got another date moving on from here to talk to some others in your city. But I just want to tell you again how wonderful this has been to see you all here, and to see what you've

been doing.

Audience member. We love you! [*Laughter*]

The President. I love all of you. And thank you, and God bless you.

Note: The President spoke at noon outside

the plant. In his opening remarks, he referred to Mark Breslawsky, president, and Clifford Peterson, vice president for operations, of the Dictaphone Corp., Congressman Bill Nelson, and Gov. Robert Martinez. Prior to his remarks, the President toured the plant's assembly line.

Remarks at a Greater South Brevard Area Chamber of Commerce Luncheon in Melbourne, Florida June 22, 1987

Governor Martinez, Congressman Nelson, Maxine Nohrr, I thank you, and I thank you all. This is a most heartwarming greeting, and well, it's good to be here in Melbourne, Florida, the city that just next year will be celebrating a hundredth anniversary of its founding. Come to think of it, maybe I ought to return next year for the celebration. As I said earlier today, it's not often these days that I get to go to a birthday party for something that's older than I am. [*Laughter*] But it's an honor to be able to address this luncheon hosted by the Greater South Brevard Area Chamber of Commerce. So many people have helped to make this event possible that I can't thank them all. But I do want to express my gratitude to the Melbourne Municipal Band and the new pride of Melbourne—high school choir.

Now, I came down here today on very serious business: to tell you about an historic issue in Washington—an issue that will shape the future of our entire nation and even the world—and to ask for your help. In my address to the Nation from the Oval Office just last Monday, I spoke about the Venice summit and gave a statement of American policy in the Persian Gulf. But our polls showed that, of all the subjects I touched on in that speech, the American people listened with the greatest interest and concern to my discussion of the Federal budget and of the threat posed to our nation by deficit spending.

You may remember that when I ran for office back in 1980 the American economy was in the worst mess since the Great De-

pression. Government was everywhere, running up taxes, causing inflation, raising interest rates, and taking a bigger and bigger share of our earnings. So, when our administration was elected, we enacted an across-the-board personal income tax cut of nearly 25 percent. Then we indexed the tax brackets, making it possible [impossible] for inflation to push you into higher and higher tax brackets. Many people didn't understand that subtle way in which, without having to pass a tax bill, the Congress was getting a tax increase every year. People working in that inflationary period would get a raise to cover the cost of inflation, to keep them even with where they were in the previous year. But the Government's tax was based on the number of dollars, not their value.

So, as the number of your dollars increased, even though you weren't any better off than you were before, you were worse off because you paid a higher income tax. Well, we fixed that; we made the tax brackets have to go up with the inflation, also. The big spenders and special interests predicted economic ruin with what we were doing. We proved them wrong. You don't tax and spend your way to recovery. Today inflation and interest rates are down—way down. Inflation alone has fallen from over 12 percent to under 4 for the last 12 months. We've seen 54 straight months of economic growth and the creation of more than 13 million jobs—more jobs than Western Europe and Japan put together have created in the past 10 years. You know, I could tell it was working—that

whole idea—when they stopped calling it Reaganomics. [*Laughter*]

Then in our second term, we enacted an historic tax reform, one that simplified the tax system, eliminated many loopholes and tax shelters, lowered most Americans' tax rates even further, and made the whole system more fair. In particular, this tax reform eliminated the complicated system of 14 tax brackets and replaced it with just 2. And under this new system, the individual income tax burden is being cut by an average 6 percent in 1988. In plain language, that works out to an average of about \$200 in savings for everybody.

You remember the old formula that donated—or dominated, I should say—the Government doesn't donate anything—[*laughter*—dominated Government for so many years, the formula that led to high inflation and economic stagnation: “tax and tax, spend and spend.” Well, the good news is that because of the economic reforms that I've just described “tax and tax” has become a thing of the past. We can take great pride in that, because it testifies to a fundamental fact about America: the ability of the people to make their own will prevail over that of big government. But there's some bad news, and that's why I am here today. You see, I'm afraid we still have our work cut out for us when it comes to “spend and spend.” Last year we got the special interests out of the tax code. Now it's time to get them out of the budget.

In this bicentennial year of our Constitution, I'm reminded that the Bill of Rights was adopted by our forefathers to protect the people from the threat posed by government of that age to our basic political liberties. Now, over 200 years later, the chief danger of big government is the threat to our economic liberties, to our basic right to earn our own keep and keep what we earn. Here the problem is a bloated Federal Government that overtaxes, overspends, overborrows, and overregulates. In this day and time, what Americans need is an economic bill of rights, and I'll talk more specifically about that next month.

For now, it's enough to say that the Federal budget process just plain isn't working, as your Governor has told you. Earlier this

year I sent Congress a responsible budget—I'm called upon to do that—one that met our deficit reduction targets, preserved a strong defense, and added funds for critical domestic needs like AIDS research. But that budget was ignored. Instead, some in Congress want a budget that will, as a percentage of gross national product, put defense spending back on the path leading to the dangerous levels of the previous administration.

On the domestic side—you guessed it—Congress wants to spend more, \$41 billion more. And they have even more spending in the pipeline for welfare and other programs, that we've only begun to get control of. We need to reduce spending, not increase it. And to pay for all of this, your taxes would be raised by \$19 billion next year and \$64 billion over the next 3 years. Raise taxes, cut vital defense programs, and increase domestic spending by tens of billions of dollars—if you'll permit me, there they go again. [*Laughter*] Now, the amazing thing is that some in Congress seem to believe that spending more and more on behalf of this or that special interest group is actually good politics. But sooner or later, the answer will come not from the special interests but from you, the people.

This attitude in Congress reminds me of a lazy student who was flunking math. “Teacher,” he said, “Dad told me that if my grades don't improve somebody's going to get a spanking. So, I'd watch out if I were you.” [*Laughter*] Yet, just as together we conquered “tax and tax,” so too we can control “spend and spend.” I've agreed to have members of my administration sit down with Congress and talk about the budget process. Congress needs a way of ensuring that it will honor budget decisions once it agrees to them. I propose just three simple budget reforms—and you've heard them mentioned already here today—three simple reforms with the power to put the big spenders out of business forever.

First, we must force Congress to reform the budget process itself, to stop all the delays and the missed deadlines. We can do this by forcing Congress to vote, yes or no, up or down, on an amendment to the Constitution that will put a stop to the flood of

red ink. Just as your Governor told you, Thomas Jefferson was the first to criticize the Constitution. And almost immediately he said its one glaring lack was that it did not prohibit the Government from borrowing. You know, there's a little story that comes to mind here. It seems back in 1981 one Congressman was out talking to one of his constituents, and he asked him how he stood on the tax cuts that I wanted. Well, the Congressman went on for some length about the great complexity of the issue and the enormous difficulties of public expenditures and revenues. And the farmer just kind of shifted around, and then he said, "Well, let me ask it this way: Are you for him or agin' him?" [Laughter]

Well, today a majority of States have already passed resolutions calling for a constitutional convention to propose a balanced budget amendment to the Constitution. Now, if Congress goes on refusing to take action, I won't hesitate to take the case for this constitutional amendment directly to the State legislatures. But my friends, isn't it about time that Congress did the right thing and finally enacted the balanced budget amendment? [Applause] The polls all show that some 80 percent of the American people want it. Well, isn't that what representative government is for: to do what the people feel is right? [Applause]

And second, I need your help in getting Congress to agree to a responsible budget deficit reduction package this year and to stay with it. I've already shown that when Congress passes budget-busting boondoggles, the kind that give me heartburn—well, let me just put it like this: How do I spell relief? —V-E-T-O. [Laughter] And we need to go beyond that, to build a consensus in Congress to hold spending down. And make no mistake: This is an issue that transcends party. Responsible Democrats, like your own Congressman Bill Nelson, have shown that for the good of the country they're willing to join forces with those who believe in limiting deficit spending. The only thing that makes me uneasy about him being here with me today is that—who's tending the store while we're gone? [Laughter] But, we need many more Senators and Representatives to take this responsible position, and this is where you,

the people, come in. As I said before, if we can't make them see the light, let's make them feel the heat.

And third, and once again, saying and repeating what the Governor said, there's something else I hope you'll ask for: the line-item veto. The line-item veto is simple; it would enable the President to go over those huge expenditure bills and just draw a line through the items that represent waste. Now, the Governors of 43 States already have the line-item veto. I had it myself as Governor of California and used it no fewer than 943 times without being overridden.

Now, how could that be? Well, in our State, two-thirds of the legislature has to pass the budget to begin with, and when it comes to me they can add things in. I can veto those things out—as Governor of California, not as President—and those same two-thirds majority that would vote the entire budget to send it to me, when faced with voting again to override the veto by two-thirds vote on those individual items—no, they wouldn't stand up and vote for those. So, we had a clean record on that. I think you'll agree with what the Governor said: It's high time we gave the line-item veto to the President.

And incidentally—I may stand corrected on this one—I think that it's 44 of the States that have the balanced budget in their constitutions. And there are a host of other reforms Congress should undertake to improve the enforceability and credibility of the budget process: a 2-year budget, for example, as you do here; credit reform; firm limits on the amount of nondefense spending; tougher rules to prevent bills that bust the budget. I know that Congress is currently considering some of these changes, and I encourage them to move on with deliberation and come up with a package of reforms that will begin to correct the glaring deficiencies of the current process.

Now, I've just mentioned serving as Governor of California. I had a couple of experiences out there that I think shed light on this whole problem of government spending. When I took office, I found it was very similar to what I then later ran into when I took office as President. In spite of the balanced budget requirement in the Constitu-

tion, you come in in the middle of the fiscal year. I found that my predecessor had left me with a sizeable deficit that would have to be cleaned up under the Constitution in the 6 months remaining of that fiscal year. I had to ask the people for more money to do this, but I promised the people that if and when we could give it back, that's what we'd do. Well, we cleaned up the place. And came a time when we showed that we were going to have a surplus, and my finance director came to me and said, "I know there may have been things that you wanted to do as Governor and couldn't because of the money situation, but now, before the legislature finds out, you're going to have this amount." And he told me the surplus. And he said, "I thought you might have some program of your own that you'd like to put in effect." And I said, "I do." Well, he said, "What is it?" I said, "Let's give it back." Well, he said, "That's never been done before." And I said, "Well, you never had an actor up here before, either." [Laughter]

So, we did give the money back. And two or three times we didn't get into the clear enough that we could say, hey, look, we can actually now cut the tax rates somewhere. But in those few times that we got another surplus, I would go to the people first, before the legislature found out, and tell them that I was going give it back. And we did. And the last one was almost 10 times as much as the first one had been that we were going to give back.

The way we gave it back the first time was in the income tax. We figured out that the surplus was just about 10 percent of what the income tax would bring in. So, we told the people to figure out their income tax and then just send us 90 percent of it—keep the other 10 percent. Well, when we got to the final one, which as I say was considerably bigger, I had the experience of one of our State senators striding into my office one day, and he said, "Governor, I think giving that money back to the people is an unnecessary expenditure of public funds." [Laughter] You know, he really believed that money belongs to the Government and what you and I get to keep out of what we earn is just what they allow us to keep. Well, all I can say is: Government had

darn well better remember where its money comes from in the first place.

With these three measures—a balanced budget amendment, a firm commitment to hold deficit spending down this very year, and the line-item veto—and with these three simple but powerful measures, we can see to it that the Federal Government begins to live within its means once and for all. Now, I know that the special interests and big spenders are opposed to all this, just as they were opposed to cutting your taxes. But sooner or later, they're going to have to answer to you, the American people.

Come to think of it, the idea of having the big spenders answer to the people reminds me of—say, you wouldn't mind if I told you just one more story, would you? This was a joke about a fellow from up North, a Yankee who came driving down into the South as a tourist, and he had a collision with one of the natives. And the two cars were pretty well messed up, but both drivers happened to get out without too much personal damage. And the southerner, with true southern hospitality, took a look at the Yankee, and said, "Hey, wait a minute." And he went back to his car, and he brought back a bottle, and he said, "Here, you look pretty shaken up. You better take a swig of this." So he did, and had a swallow of whiskey. And the southerner—again his hospitality—said, "Take another one. Go ahead." And he did. This happened for a couple of more times, and finally the Yankee did recover his manners a little bit and said, "Well, wait a minute here." He said, "Why don't you have a drink?" And the southerner said, "No, I'm just going to stand here and wait until the police get here." [Laughter]

Well, the time has come for me to leave the good town of Melbourne and head back to Washington. But in closing, let me just say this: In these past few years, we've come so far together, restoring our nation to greatness. For love of liberty, let us work together once again to enact these budget reforms, to leave to our children a nation in which the people, and not the Government, truly rule. And then we will all have done our job. Because there are three of us alone

that I know sitting here—the Governor, the Congressman, and myself—you know, you're really the boss. We work for you. And let's keep it that way.

Thank you. God bless you all.

Note: The President spoke at 1:20 p.m. at

Melbourne Auditorium. In his opening remarks, he referred to Gov. Robert Martinez, Representative Bill Nelson, and Maxine Nohrr, president of the Greater South Broadway Area Chamber of Commerce. Following the luncheon, the President returned to Washington, DC.

Statement on the Death of Fred Astaire

June 22, 1987

Nancy and I are deeply saddened by the loss of a very dear friend. Fred Astaire, an American legend, has died. We join the entire Nation in mourning his passing and our heartfelt sympathies are with his wife, Robyn, and his family.

Fred was, in every sense of the word, a "superstar." He adapted a witty, sophisticated, casual air which belied the enormity of

his talent. He was the ultimate dancer—the dancer who made it all look so easy. But, we knew that when we watched him dance, we were seeing the absolute master of his terpsichorean muse.

Fred Astaire blessed us with his special gifts and with his friendship. Now we bless him with our prayers, our memories, and our affections. May he rest in peace.

Nomination of Roland R. Vautour To Be an Under Secretary of Agriculture and a Member of the Board of Directors of the Commodity Credit Corporation

June 23, 1987

The President today announced his intention to nominate Roland R. Vautour to be Under Secretary of Agriculture for Small Community and Rural Development and to be a member of the Board of Directors of the Commodity Credit Corporation. He would succeed Frank W. Naylor, Jr., in both capacities.

Mr. Vautour is currently a State director

of the Farmers Home Administration in Montpelier, VT. Prior to this he was the owner of Sterling Realty in Jeffersonville, VT, 1969–1981.

Mr. Vautour graduated from the University of New Hampshire (B.S., 1952). He was born January 20, 1929, in Berlin, NH. Mr. Vautour is married, has four children, and resides in Jeffersonville, VT.

Nomination of Deborah Gore Dean To Be an Assistant Secretary of Housing and Urban Development

June 23, 1987

The President today announced his intention to nominate Deborah Gore Dean to be an Assistant Secretary of Housing and

Urban Development (Community Planning and Development). She would succeed Alfred Clinton Moran.

Since 1984 Ms. Dean has been Executive Assistant to the Secretary and the White House Liaison at the Department of Housing and Urban Development (HUD). Prior to this, she served as Director of the Executive Secretariat at HUD, 1982–1984; Special Assistant to the Director in the Office of Congressional Affairs at the Department of

Energy (DOE), June 1982–November 1982; and Special Assistant to the Director in the Office of Public Affairs (DOE), 1981–1982.

Ms. Dean graduated from Georgetown University (B.A., 1980). She was born November 30, 1954, in New York, NY. Ms. Dean currently resides in Potomac, MD.

Nomination of Warren Clark, Jr., To Be United States Ambassador to Gabon and Sao Tome and Principe

June 23, 1987

The President today announced his intention to nominate Warren Clark, Jr., a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador of the United States to the Gabonese Republic and to serve concurrently as Ambassador of the United States to the Democratic Republic of Sao Tome and Principe. He would succeed Larry C. Williamson.

Mr. Clark joined the Foreign Service in 1963, and his first assignment was vice consul at our consulate in Aleppo, Syria, 1964–1966. He then became an economic officer at Embassy Luxembourg, 1966–1968, to be followed by an assignment to the Department as an economist, 1968–1971. Mr. Clark then served as the Libyan desk officer for a couple of years before another assignment as an economist in the Department of State, 1974–1976. He then went to the U.S. Embassy in Ottawa, Canada, as a

Treasury representative, 1977–1981. He was designated Deputy Representative of the United States of America on the Economic and Social Council of the United Nations where he served for a year before becoming Minister-Counselor (Political and Security) at the U.S. Mission to the United Nations. From 1985 to 1986, Mr. Clark was economic counselor at the U.S. Embassy in Lagos, Nigeria, and since 1986 has been deputy chief of mission in Lagos.

Mr. Clark graduated from Williams College (B.A., 1958); Johns Hopkins School of Advanced International Studies (M.A., 1964); Georgetown University (M.A., 1972); and the John F. Kennedy School of Government (M.P.A.). He was born November 7, 1936, in Bronxville, NY. Mr. Clark served in the U.S. Navy from 1958 to 1962. He is articulate in French. Mr. Clark has three children and resides in Mystic, CT.

Executive Order 12599—Coordination of Economic Policies for Sub-Saharan Africa

June 23, 1987

By the authority vested in me as President by the Constitution and statutes of the United States of America, including the Foreign Assistance Act of 1961, as amended, and in order to establish procedures for development of a common long-term goal for all United States economic programs and policies in Sub-Saharan Africa, it is

hereby ordered as follows:

Section 1. Establishment of the Coordinating Committee for Sub-Saharan Africa.

(a) There is hereby established a Coordinating Committee for Sub-Saharan Africa ("the Committee").

(b) The Committee shall consist of the

Administrator of the Agency for International Development, who shall be Chairman; the Assistant Secretary of the Treasury for International Affairs, who shall be Co-Chairman; representatives designated by the Secretaries of State, Defense, Agriculture, and Commerce; and representatives of the Office of Management and Budget, the Central Intelligence Agency, the United States Information Agency, the Peace Corps, the Overseas Private Investment Corporation, the United States Trade Representative, the African Development Foundation, the Assistant to the President for National Security Affairs, and the Assistant to the President for Policy Development.

(c) Whenever matters being considered by the Committee may be of interest to Federal agencies not represented on the Committee, the Chairman may invite the head of such agencies to designate representatives to participate in meetings and deliberations of the Committee.

(d) The Committee shall operate under the policy direction of the Secretaries of State and the Treasury.

(e) All Executive departments and agencies shall keep the Committee informed in necessary detail as to the policies, programs, and activities relating to the functions of the Committee described in section 2.

(f) Nothing herein shall be deemed to derogate from the responsibilities of the head of any agency in exercising the responsibilities vested in that person by law.

Sec. 2. Functions of the Committee. (a) The Committee shall operate in a manner best deemed appropriate by its Chairman in order to ensure the following:

(1) that all United States economic programs and policies for Sub-Saharan Africa are consistent with the goal of ending hunger in the region through economic growth, policy reform, and private sector development;

(2) United States economic programs and policies for each country of Sub-Saharan Africa are tailored to the specific needs of that country, consistent with the goal presented in subsection (a)(1) of this section;

(3) United States economic programs and policies for Sub-Saharan Africa are fully coordinated within the United States Govern-

ment prior to implementation with other donors and potential recipients; and,

(4) the overall level of aid the United States offers a country of Sub-Saharan Africa is related to continued performance of that country toward the goal presented in subsection (a)(1) of this section or willingness to undertake economic reform.

(b) The Committee shall support the Secretaries of State and the Treasury in preparing the annual report to the President required in section 3 of this Order.

(c) The Committee shall coordinate the preparation annually of a unified budget justification for transmittal to the Congress. This justification shall encompass all United States economic activities, strategies, and policies for Sub-Saharan Africa. Nothing in this subsection shall be deemed to affect the statutory authorities of the Director of the Office of Management and Budget.

(d) The Committee shall encourage and coordinate the alignment of United States food assistance programs in accordance with the goals presented in subsection 2(a) of this Order.

(e) The Committee shall encourage and coordinate efforts to mobilize expanded humanitarian and business involvement in Africa, both United States and international, through an outreach effort with appropriate Federal agencies.

(f) The Committee shall encourage and coordinate efforts of Federal agencies to expand United States business involvement in Sub-Saharan Africa by targeting trade and investment missions, prefeasibility and feasibility studies, sector and regional analyses, access to credit, and information on trade and investment opportunities in countries undertaking economic reform.

Sec. 3. Annual Report to the President. (a) The Secretary of State and the Secretary of the Treasury shall make a joint report to the President annually on Sub-Saharan Africa.

(b) The annual report shall discuss the economic condition of Sub-Saharan Africa and highlight progress being made in the region toward achieving the goal presented in section 2(a)(1). The annual report shall also affirm that all United States economic programs and policies conform with and

support the goal of ending hunger in Sub-Saharan Africa through economic growth and private enterprise development.

RONALD REAGAN

The White House,
June 23, 1987.

[Filed with the Office of the Federal Register, 4:37 p.m., June 23, 1987]

Executive Order 12600—Predisclosure Notification Procedures for Confidential Commercial Information

June 23, 1987

By the authority vested in me as President by the Constitution and statutes of the United States of America, and in order to provide predisclosure notification procedures under the Freedom of Information Act concerning confidential commercial information, and to make existing agency notification provisions more uniform, it is hereby ordered as follows:

Section 1. The head of each Executive department and agency subject to the Freedom of Information Act shall, to the extent permitted by law, establish procedures to notify submitters of records containing confidential commercial information as described in section 3 of this Order, when those records are requested under the Freedom of Information Act (FOIA), 5 U.S.C. 552, as amended, if after reviewing the request, the responsive records, and any appeal by the requester, the department or agency determines that it may be required to disclose the records. Such notice requires that an agency use good-faith efforts to advise submitters of confidential commercial information of the procedures established under this Order. Further, where notification of a voluminous number of submitters is required, such notification may be accomplished by posting or publishing the notice in a place reasonably calculated to accomplish notification.

Sec. 2. For purposes of this Order, the following definitions apply:

(a) "Confidential commercial information" means records provided to the government by a submitter that arguably contain material exempt from release under Exemption 4 of the Freedom of Information Act, 5 U.S.C. 552(b)(4), because disclo-

sure could reasonably be expected to cause substantial competitive harm.

(b) "Submitter" means any person or entity who provides confidential commercial information to the government. The term "submitter" includes, but is not limited to, corporations, state governments, and foreign governments.

Sec. 3. (a) For confidential commercial information submitted prior to January 1, 1988, the head of each Executive department or agency shall, to the extent permitted by law, provide a submitter with notice pursuant to section 1 whenever:

(i) the records are less than 10 years old and the information has been designated by the submitter as confidential commercial information; or

(ii) the department or agency has reason to believe that disclosure of the information could reasonably be expected to cause substantial competitive harm.

(b) For confidential commercial information submitted on or after January 1, 1988, the head of each Executive department or agency shall, to the extent permitted by law, establish procedures to permit submitters of confidential commercial information to designate, at the time the information is submitted to the Federal government or a reasonable time thereafter, any information the disclosure of which the submitter claims could reasonably be expected to cause substantial competitive harm. Such agency procedures may provide for the expiration, after a specified period of time or changes in circumstances, of designations of competitive harm made by submitters. Additionally, such procedures may permit the agency to designate specific classes of infor-

mation that will be treated by the agency as if the information had been so designated by the submitter. The head of each Executive department or agency shall, to the extent permitted by law, provide the submitter notice in accordance with section 1 of this Order whenever the department or agency determines that it may be required to disclose records:

(i) designated pursuant to this subsection; or

(ii) the disclosure of which the department or agency has reason to believe could reasonably be expected to cause substantial competitive harm.

Sec. 4. When notification is made pursuant to section 1, each agency's procedures shall, to the extent permitted by law, afford the submitter a reasonable period of time in which the submitter or its designee may object to the disclosure of any specified portion of the information and to state all grounds upon which disclosure is opposed.

Sec. 5. Each agency shall give careful consideration to all such specified grounds for nondisclosure prior to making an administrative determination of the issue. In all instances when the agency determines to disclose the requested records, its procedures shall provide that the agency give the submitter a written statement briefly explaining why the submitter's objections are not sustained. Such statement shall, to the extent permitted by law, be provided a reasonable number of days prior to a specified disclosure date.

Sec. 6. Whenever a FOIA requester brings suit seeking to compel disclosure of confidential commercial information, each agency's procedures shall require that the submitter be promptly notified.

Sec. 7. The designation and notification procedures required by this Order shall be established by regulations, after notice and public comment. If similar procedures or regulations already exist, they should be reviewed for conformity and revised where necessary. Existing procedures or regulations need not be modified if they are in compliance with this Order.

Sec. 8. The notice requirements of this Order need not be followed if:

(a) The agency determines that the information should not be disclosed;

(b) The information has been published or has been officially made available to the public;

(c) Disclosure of the information is required by law (other than 5 U.S.C. 552);

(d) The disclosure is required by an agency rule that (1) was adopted pursuant to notice and public comment, (2) specifies narrow classes of records submitted to the agency that are to be released under the Freedom of Information Act, and (3) provides in exceptional circumstances for notice when the submitter provides written justification, at the time the information is submitted or a reasonable time thereafter, that disclosure of the information could reasonably be expected to cause substantial competitive harm;

(e) The information requested is not designated by the submitter as exempt from disclosure in accordance with agency regulations promulgated pursuant to section 7, when the submitter had an opportunity to do so at the time of submission of the information or a reasonable time thereafter, unless the agency has substantial reason to believe that disclosure of the information would result in competitive harm; or

(f) The designation made by the submitter in accordance with agency regulations promulgated pursuant to section 7 appears obviously frivolous; except that, in such case, the agency must provide the submitter with written notice of any final administrative disclosure determination within a reasonable number of days prior to the specified disclosure date.

Sec. 9. Whenever an agency notifies a submitter that it may be required to disclose information pursuant to section 1 of this Order, the agency shall also notify the requester that notice and an opportunity to comment are being provided the submitter. Whenever an agency notifies a submitter of a final decision pursuant to section 5 of this Order, the agency shall also notify the requester.

Sec. 10. This Order is intended only to improve the internal management of the Federal government, and is not intended to create any right or benefit, substantive or procedural, enforceable at law by a party

against the United States, its agencies, its officers, or any person.

RONALD REAGAN

The White House,
June 23, 1987.

[Filed with the Office of the Federal Register, 4:38 p.m., June 23, 1987]

Nomination of Robert O. Hunter, Jr., To Be Director of the Office of Energy Research at the Department of Energy *June 23, 1987*

The President today announced his intention to nominate Robert O. Hunter, Jr., to be Director of the Office of Energy Research at the Department of Energy. He would succeed Alvin W. Trivelpiece.

Since 1978 Mr. Hunter has been the president of the Western Research Corp. in San Diego, CA. From 1982 to 1984, he served as a member of the White House Science Council, and between 1973 and

1978, he was staff scientist at Maxwell Laboratories.

Mr. Hunter graduated from Stanford University (B.S., 1967) and the University of California, Irvine (Ph.D., 1981). He served in the U.S. Air Force, 1967-1972. Mr. Hunter was born November 1, 1946, in Riverside, CA. He is married, has three children, and resides in La Jolla, CA.

Appointment of Charles Ray Ritcheson as a Member of the Board of Foreign Scholarships *June 23, 1987*

The President today announced his intention to appoint Charles Ray Ritcheson to be a member of the Board of Foreign Scholarships for the remainder of the term expiring September 22, 1988. He would succeed Forrest McDonald.

Since 1984 Mr. Ritcheson has been the university librarian and dean provost of the University of Southern California in Los Angeles. Prior to this he served as Lowell dis-

tinguished professor of history at the University of Southern California, 1977-1984.

Mr. Ritcheson graduated from Oklahoma University (B.A., 1946) and Oxford University (Ph.D., 1951). He served in the U.S. Navy Reserve (1945-1946, 1948). Mr. Ritcheson was born February 26, 1925, in Maysville, OK. He is married, has six children, and resides in Los Angeles, CA.

Nomination of Judith D. Moss To Be a Member of the National Advisory Council on Women's Educational Programs *June 23, 1987*

The President today announced his intention to nominate Judith D. Moss to be a member of the National Advisory Council on Women's Educational Programs for a 3-

year term to expire May 8, 1990. This is a reappointment.

Ms. Moss was an attorney with the law firm of Brownfield & Cramer of Columbus,

OH, from May 1986 to April 1987.

She graduated from Ohio State University (B.S., B.A., 1975; J.D., 1977). Ms. Moss was

born June 2, 1945, in Indianapolis, IN, and resides in Columbus, OH.

Appointment of Two Members of the Board of Trustees of the Woodrow Wilson International Center for Scholars

June 23, 1987

The President today announced his intention to appoint the following individuals to be members of the Board of Trustees of the Woodrow Wilson International Center for Scholars in the Smithsonian Institution for terms expiring October 23, 1992:

John S. Reed, of Connecticut. He would succeed Stuart E. Eizenstat. Mr. Reed is currently chairman of the board and chief executive of Citibank/Citicorp in New York, NY. Prior to this he served as vice chairman of Citibank/Citicorp. Mr. Reed graduated from Washington and Jefferson College and the Massachusetts Institute of Technology (B.S. and B.A., 1961)

and the Massachusetts Institute of Technology (M.S., 1965). He was born February 7, 1939, in Chicago, IL. Mr. Reed is married, has four children, and resides in Greenwich, CT.

Dwayne O. Andreas, of Florida. He would succeed Kenneth B. Clark. Since 1972 Mr. Andreas has been chairman of the board and chief executive officer of the Archer Daniels Midland Co., in Decatur, IL. From 1970 to 1972, he served as the chief executive officer of the Archer Daniels Midland Co. Mr. Andreas was born March 14, 1918, in Worthington, MN. He is married, has three children, and resides in Miami Beach, FL.

Remarks at the Presentation Ceremony for the Presidential Medal of Freedom

June 23, 1987

It's a pleasure to have all of you here today to honor some of our fellow Americans who've made a difference, Americans who represent the very best of our country. In my first inaugural, I said: "Those who say that we're in a time when there are no heroes, just don't know where to look." Well, I've been blessed over the years with having had the opportunity to meet many American heroes and to get to know the truly admirable people who make up our land.

Sometimes, because we spend so much time and energy on trying to solve our country's problems, we lose sight of the fundamental strength of character that abounds in our citizens. I recently visited Europe, and a great deal was said about the Marshall plan, something Winston Churchill called "the most unsordid act in history."

Those of us who lived through it understand how simple it would have been for us to have come home after the war and let the rest of the world fend for itself. Our people, after all, had sacrificed life and wealth to save mankind, and we could have easily justified sitting back and enjoying ourselves and our prosperity.

Well, in the days following World War II, Pope Pius XII said: "The American people have a genius for great and unselfish deeds; into the hands of America, God has placed an afflicted mankind." Well, we didn't shirk the great responsibility that was thrust upon us. For four decades, we've carried a heavy load of leadership. It's been four decades of peace in Europe and four decades of economic growth and prosperity for the Western democracies. The American people were inspired to carry this heavy load, to do

what was right rather than what was easy, by individuals like the ones that we honor today. Among Thomas Carlyle's many works is a book about heroes and heroism. In it he pointed out: "The hero can be a poet, a prophet, king, priest, or what you will, according to the kind of world he finds himself born into."

Well, the heroes in America reflect the positive and uplifting values of our people. That's why we call today's awards Medals of Freedom. The Medal of Freedom award, which we bestow on our Americans today, is this country's top civilian honor. The list of former recipients contains the names of military heroes, like General Omar Bradley, but also the names of distinguished individuals like Dr. Jonas Salk, Jesse Owens, Walt Disney, Helen Keller, and others. Today's recipients are of the same caliber. They exemplify the ideals of America. They have excelled in the arts. They have written works that touched our hearts. They've made us laugh. They've helped make our country more secure and provided for the less fortunate. They're some of America's best. And today we're proud to award them the Medals of Freedom. And now, it's my pleasure to announce this year's awardees.

Anne Legendre Armstrong:

Since her earliest days in grassroots politics, Anne Armstrong has been an intrepid fighter for the cause of freedom and liberty, and against the intrusions of big government. Her great talents and capacity for work catapulted her onto the national political scene, where she has served her party and nation with distinction, holding high offices in both. Her great skill and unstinting effort in the service of her country have earned her the gratitude of our nation.

Justin Dart:

And it will be received by Mrs. Justin Dart, his wife.

A leading entrepreneur, Justin Dart has made vital contributions to America that will long be remembered. Considered a revolutionary by his trade, he was already head of the largest drug company in the world at the age of 35, and his sure hand would soon transform the business. Justin Dart became a leading force in politics and an adviser to the President, valued not only for

his business acumen but his courageous championing of political and economic liberty. Justin Dart's life stands as eloquent testimony to the creative force of freedom.

Danny Kaye:

And it will be received by his daughter, Miss Dena Kaye.

An entertainer, humanitarian, and an individual who lifted the spirit of his fellow countrymen, his enthusiasm for life infected all who saw him. He spread laughter and good will, touching the hearts of people throughout the world, especially young people. He was a true professional, a star of film, stage, television, and radio. His dedication to helping less fortunate children is also remembered. He was a good man, a pro who cared, an example of the best in America's soul. And he will always be remembered around the world by millions of children for his unselfish willingness to serve every time the U.N. called upon him to do so.

Lyman L. Lemnitzer:

A brave and dedicated military officer who served our nation in peace and war, General Lemnitzer's skill as a tactician, planner, and negotiator was instrumental in the Second World War. He fought in Korea, he served as U.S. commander in chief in Europe, and eventually became the Chairman of the Joint Chiefs of Staff. His life has been one marked by high military skill and unselfish devotion to his country.

John A. McCone:

As Director of Central Intelligence between 1961 and 1965, John A. McCone guided our nation's intelligence community through some of its most difficult hours. He strengthened the Nation's critical capacity for effective intelligence operations, maintained the intelligence community's reputation for unbiased analysis, and played an active role in policy debates. Integrity, patriotism—these qualities have marked his long and distinguished service to our nation.

Frederick D. Patterson:

For five decades, as president and president emeritus of Tuskegee Institute, Dr. Frederick D. Patterson has been one of America's outstanding educators. He is also the founder of the United Negro College Fund and the College Endowment Funding Plan, and through these, he has helped finance excellence throughout America's community of historically black colleges. By his inspiring example of personal excellence and unselfish dedication, he has taught the Nation that, in this land of freedom, no mind should be allowed to go to waste.

Nathan Perlmutter:

And his will be received by his wife, Ruth Perlmutter.

In the "Diary of a Cancer Patient," Nathan Perlmutter wrote: "Funny what I feel I've accomplished. I married the prettiest girl. I made it to marine infantry officer, wrote a few books, and became director of the Anti-Defamation League." That casual, self-deprecating voice is the voice of a hero. For Mr. Perlmutter has made it his life's work to champion human dignity. He is a hero indeed, a hero of the human spirit.

Mstislav Rostropovich:

He once jokingly asked his mother why she had carried him longer than the usual 9 months. "Slava," she answered, "to give you such beautiful hands." Performing, teaching, and conducting, the beautiful hands of Mstislav Rostropovich have shared with millions his passion for music, especially the music of the homeland he has never ceased to love. He is a virtuoso not only of music but of heart and mind, as well.

William B. Walsh, M.D.:

Dr. William B. Walsh has spent a lifetime giving hope to others. For 14 years, in ports around the world, millions cheered the ship that Dr. Walsh's dreams launched, the S.S. *Hope*. Medical care and training—these were the *Hope's* cargo, together with a message of good will from all Americans. Today Project HOPE has stepped ashore, and Dr. Walsh is reaching people

wherever there is need and, as always, is giving of himself so that others might find hope. He is a credit to his profession and to his country.

Meredith Willson:

And his will be received by Mrs. Willson.

Our country knows Meredith Willson as the composer-lyricist whose musicals and songs captured the joy and innocence of America. Meredith Willson's career embraced the musical life of his nation. His greatest hits, "The Music Man" and "The Unsinkable Molly Brown," will forever stand as landmarks of the Broadway stage. As one critic said: "His music is as American as apple pie and a Fourth of July oration." He will always be remembered affectionately and with respect for his virtuosity as our music man.

And I will always remember him, because as an old ex-lieutenant of horse cavalry in World War II, he wrote a song for the cavalry.

I know that you're as proud as we are to have all of these people with us. And that concludes our ceremony here, but it doesn't conclude our feeling of thanks for these people and what they've done.

Note: The President spoke at 1:14 p.m. in the East Room at the White House following a luncheon for the recipients and their guests.

Remarks at the National Federation of Independent Business Conference

June 23, 1987

The President. Thank you very much, and let me say a special word of thanks to a long-time supporter of what we've been doing here in Washington, your president, John Sloan. It's a great pleasure to be here today. For 44 years the National Federation of Independent Business has spoken out for the most dynamic and creative force in our economy: America's independent businesses. For 6 years you've been a partner in the struggle to pull America back from the economic brink and get it back on the trail to the top.

You remember those days before we came into office. Inflation was the highest since World War II; interest rates were the

highest since the Civil War; growth had ground to a stop; and the income of the typical American family was on a decade-long roller coaster ride to the cellar, while taxes shot for the sky. Those were particularly hard times for America's entrepreneurs, as venture capital for starting new businesses virtually evaporated and a flood of regulations began to sweep away the great American spirit of enterprise.

How had the greatest economy in the world been brought to its knees? Well, as one prominent historian of our times has written—he said, "The most detailed analysis of this stagnation and decline suggested the causes were mainly political." They

were, he said, "failure to control the money supply, excessive tax burdens, and government intervention and regulation"—in short, big government: its rules and its spending and the taxes and monetary policies it used to finance its spending.

Speaking of regulations, for some businesses, regulations became so excessive that it seemed there were always inspectors around and government paperwork to fill out. It reminds me of a story. At my age everything reminds you of a story. [*Laughter*] This one is about a man who started his own business. He did well, then bought a summer home in the country. And because he was good-natured, all of his relatives and his relatives' relatives took this as an invitation to visit all summer, every summer. One day the man was sitting with a young third niece-in-law, twice removed—[*laughter*—who'd ignored hint after hint that she'd overstayed her welcome. Finally he sighed and said, "There's no chance, is there, that you'll ever come on another visit here again?" "Why," she said, "Uncle, why shouldn't I come back?" Well, he said, "Well, how can you come back if you never go away?" [*Laughter*]

Well, before we came into office, many entrepreneurs thought Federal regulators and paperwork would never go away. But we've ripped 40,000 pages from the Federal book of regulations. We've eliminated what seems to be about 600 million man-hours a year of filling out government paperwork. We came into office with a strategy: lower tax rates, less regulation, monetary stability, and controlling Federal spending through a constitutional amendment to balance the budget. Now, we put three of those four parts into practice, together with reducing the rate of growth in Federal spending, and you know the results: 4 of the best years in our history.

Today we're in the 55th month of uninterrupted growth. That's just 4 months shy of the longest peacetime expansion in American history. Now, in this expansion we've created more than 13 million new jobs—that's more new jobs than Europe and Japan combined. Today if you drive down a street in the typical American neighborhood, you'll find more people at work than ever before in our history. We brought in-

terest rates to the lowest level in a decade, inflation to the lowest in a quarter of a century. Real family income has risen strongly and steadily.

Now, I say "we," and I mean just that. You have been our partners every step of the way, and I don't mean just by supporting us in our battles with the big spenders, those tax-and-spend trolls under the Capitol dome. Our policies were designed to give you a chance to do what you do best. They were intended to release the American dream from its cell so that enterprising visionaries like you could tune up the accelerator, fill up the tank, and step on the gas of the greatest machine for beating poverty and building prosperity the world has ever known: the American free enterprise system. And sure enough, you came through. According to the foremost authority on job creation in America, between 1981 and 1985, businesses that were less than 5 years old and businesses that had fewer than 20 employees created more jobs than America as a whole. Without you and entrepreneurs like you, America would have lost millions of jobs in the last 6 years, instead of the large gains we in fact enjoyed.

Now, perhaps you're wondering why I'm repeating our story of success and economic growth once again. I've told it so many times before. Well, forgive me, but there are some fellows behind you and others all over Washington who seem to need reminding. I guess they have trouble remembering things. And when it comes to inventing horror stories, even [novelist] Stephen King might take a shining to their work. [*Laughter*] You may have heard our critics wringing their hands lately about the decline in the middle class; they say it's disappearing. Well, of course, the truth is just the opposite. More than 60 percent of the more than 13 million jobs we've created are in the high-paying managerial, professional, and technical occupations. And with families taking home more money each year, one authority on demographics has said, "The middle class is still strong and should remain healthy."

Our critics may not be able to remember—but I can—that several years ago they

were saying that our economic recovery program would never work. Now those same people are saying the recovery won't last. [Laughter] Not long ago, one national newspaper ran a story headlined, "What a Market Crash Might Look Like." That day the stock market had its second biggest gain in history. Yet when I listen to our critics with all their new versions of old charges, I remember hearing about a man who took a train ride, and he noted that the fellow across the aisle was making strange and elaborate gestures and grimaces and faces, and then laughing. Well, finally the man leaned over and asked if anything was wrong. "No, no," the fellow said, "it's just that when I travel, I pass the time telling stories to myself." Well, the man said, "Then why do you make faces and gestures as if you're in pain?" Well, the fellow answered, "Every time I start a story, I have to tell myself I've heard it before." [Laughter]

Well, all the old repetitious doomsday talk about our strong economy has caused one noted British columnist on economics to shake his head at what he calls the "morbid search of the U.S. economic tea leaves for bad news." But as Robert J. Samuelson, Newsweek's economics columnist, has warned: "The danger in believing these myths and enacting policies based on them is that we will damage a job-creation process that has been a success." And that's just the point. Our critics know—and we should, too—that we've come to what I called in my television address the other night a breakpoint in time of choosing. Our critics have their own agenda, and they're pursuing it in every possible way.

Whether it's talk about lameducks or phony statistics, to make a strong economy look weak, our critics in Congress are trying to railroad tax-and-spend policies and all that goes with them back into the saddle here in Washington, and you know what that means. Congressional proposals like mandatory health plans and parental leave, a higher minimum wage, plant closing laws, double-breasted legislation which the House passed last week—though not by enough to override a veto—[applause]—thank you—and opposition to meaningful tort and product liability reform have led one commenta-

tor to say that "Congress is at war with small business as almost never before." But since so many jobs come from your kind of entrepreneurial businesses, I'd put it another way: Congress has declared war on American jobs, and I'm not going to stand for it.

Nowhere is Congress' new agenda more apparent than on the budget. Last week the leadership in the House and the Senate agreed on a budget plan that would raise taxes and cut defense—this at a time when our national defense is just starting to get the Soviets to talk seriously about arms reduction. The leadership of the House has come up with so many ways of increasing taxes that Capitol Hill has started to talk about the Tax-of-the-Month Club. They've even suggested breaking faith with the American people and putting off the last year of tax reform, even though the reduction in rates in the last year of the reform promises to set off a new wave of job creation like the one we got in 1983, when the last installment of the '81 tax cut kicked in. That was when it happened. Well, I'm going to repeat it again. The Tax-of-the-Month Club is one club the American people aren't joining, and neither am I. Congress' answer to the deficit problem is more taxes for more spending. It's time to say no to the free spenders. I will veto any legislation that raises the American people's taxes. [Applause] You'd better be careful. Remembering the business that I was in, I might decide I've said all I need to say. [Laughter]

Recently one of the leaders in Congress said that "Congress is not going to move on domestic programs." No more cuts in spending. They talk as if domestic spending were down to the bone. But they showed their true colors at the beginning of the session when they passed two outrageous spending bills over my veto. To give you a sample, one of these porkers, the highway bill, included one project that will eat up 14 percent of all the Nation's new transit money. When that project is completed, its construction costs may equal \$6 for every passenger trip. It would be cheaper to put them all in taxicabs. [Laughter]

On another project, Congress will spend

more than \$2 billion for a short stretch of road that even the Federal Highway Administration has termed of "limited benefit." A line-item veto sure would've come in handy on the highway bill. You know what a line-item veto could've done with that bill. There was much in that bill that was proper with regard to improving our highways and all, and the money coming out of the highway trust fund. I could have okayed and not vetoed that bill and signed it if I'd had the privilege of vetoing out some of those smelly pork items that were smuggled in. *[Laughter]*

The new line of the big spenders is that the mood of the public has shifted and that the American people want more spending. Well, it's summer, and maybe they've been out in the sun too long. *[Laughter]* If you hear such fevered talk, wet it down with a little common sense. The American people don't want more spending; they want better results. For example, the American people care about the family farmer, and so do I. But neither they nor I want a farm program that makes our farmers less competitive in the world market. And no one wants one that gives, as ours does, almost \$14 million to one wealthy farmer and little or nothing to most family farmers, or one that puts Department of Agriculture extension service programs in counties where there are no farmers. *[Laughter]*

Now, anyone who tells you we can't cut the deficit without raising taxes and attacking defense is not telling you the truth. Last year we got the special interests out of the tax code. Now it's time to get them out of the budget, and that's just what I mean to do. Last week I spoke to the Nation about an economic bill of rights, including a line-item veto and a balanced budget amendment. Some said that I was singing golden oldies—nothing new. Well, the line-item veto and the balanced budget amendment may be oldies, but they're also goodies. And those who don't think they stand a chance on the charts had better keep their dial tuned to this station. *[Laughter]* It's rock 'n' roll time again at the White House.

It's just this simple: Ever since the middle seventies, when Congress shoved the President out of the way and took over the budget process almost entirely, deficits have

soared. Congress' own laws require it to pass all appropriations bills by the beginning of the fiscal year. It has been 11 years since they have done that. It's been 10 years since they've passed every appropriation bill by the end of the fiscal year. I've agreed to have members of my administration talk with Congress about the budget process, but let me say, the problem here goes deeper. Our founders intended the President to represent the broad national interest, including the interest in an overall limit on spending. They feared an imperial Congress, one that would become a den for special interests. That's why they gave the President the veto. But in recent years, Congress has found ways to weaken the Presidential veto power.

Last year, for example, they threw all government appropriations into one gigantic, catchall resolution. My choice: sign or shut down the Government. One scholar looked at this episode and wrote, in her words: "Congress was playing the deadly game of chicken and indulging in a legislative practice that subverts the veto." And she finished saying: "It's hard to escape the conclusion that Congress can't control itself. We may be heading for a constitutional crisis."

Well, this is why I've said over and over again it's time to give the President what 43 Governors have, what I had when I was Governor of California: the ability to veto spending project by project, a line-item veto. We also need a constitutional provision that 44 States have written into their own constitutions. Polls show that 85 percent of the American people favor a balanced budget amendment and have for years. But we can't even get an up and down vote in Congress. The reason: The big spenders don't want to face a balanced budget—pure and simple.

Well, maybe it's getting time for the American people to take matters into their own hands. An amendment enters the Constitution when three-fourths of the States approve it. But first someone has to draft the specific amendment for all of them to consider. Under the Constitution, Congress can do that, or the States themselves can call a special convention to frame the

common language. It takes 34 States to call such a meeting. Thirty-two have already asked for one to draw up a balanced budget amendment. Now, I would prefer to have Congress do the drafting. It would be quicker, easier. But one way or another, we owe it to our children to see to it that before the decade is out the Constitution of the United States of America includes a balanced budget.

Line-item veto, balanced budget amendment—these are parts of the economic bill of rights that I'll be discussing in the weeks ahead. And this is the choice we have: Go back to the days of tax and spend, stagnation and inflation, or finish the work we began 6 years ago and keep the prosperity we've known for the last 55 months, going not just for the next year or two but into the next decade and into the next century. Now, our choice is not right or left but forward or back, up or down. All over the world, nations are finding that less government spending, lower taxes, and freer markets means greater prosperity, less poverty, more opportunity for all people. In Peru, a developing country very different from our own, it's been found that the only real paths out of poverty and to opportunity are in those parts of the economy that are least taxed and least regulated. There's an old and simple principle here: Man soars highest when he is most free.

So, this is our choice: more freedom or less, more opportunity or less. Our critics talk in one breath about being number one in world trade and in the next about increasing taxes and regulations. They should look at Japan, which is trying to copy our tax cuts. And they should listen to the chairman of the Japanese company Sony, who said to Americans recently: "Your industry needs more relief from government regulation in order to restore your worldwide competitiveness."

The path of freedom, the path of opportunity—this is the path Americans have always taken to greatness. This is the path of our future. Two hundred and twelve years ago a small company of minutemen stood their ground at Concord Bridge and changed history. We, too, today must stand our ground. We, too, can fire a shot heard round the world. I need your help in the

months ahead. We've come this far together; let's keep marching on. And when I say I need your help—right now with budget reform, with this thing that we're in and that I've said—I'm going to be going around the country, doing what I'm doing here and talking about this. What we need is one of those things that happens when the American people, you out there, organize and take your organizations and come together in a movement that says to Washington: "This is what we want."

And the next time you hear one of those fellows on the Hill say that I'm doubletalking because I haven't submitted a single balanced budget since I've been here—well, the answer to that is, of course not. With the budget deficits that we've had, there is no way that you could balance the budget in a single year without causing great damage and harm to people that you don't want to hurt, including those farmers I mentioned a moment ago. So, of course not. But the thing we have is what Congress passed and now won't obey: Gramm-Rudman-Hollings. The answer to a balanced budget is: Get on a path of declining deficits until you point to a specific date at which the balanced budget amendment will be in effect, because we will have brought our spending down to within our income.

So, let's be hearing from each other in the days ahead. And you know something, it might be a lot of fun. Thank you. God bless you all. [Applause]

Mr. Sloan. Ladies and gentleman, just a moment please. Mr. President, I think you know we love you from that response, and we thank you very much. You know, there's a great symbol in this country: the Concord Minuteman. And we at NFIB have used that as the symbol as the guardian of small business. It gives me the deepest honor and pleasure to present to you this special guardian of small business for your important role of leadership in protecting the small business owner. It reads: "Presented to President Ronald Reagan, America's Guardian of Small Business, June 23d, 1987, with heartfelt thanks from the over half million members of the National Federation of Independent Business."

The President. Thank you. I've been a fan

of his and have quoted him many times. Isn't he the fellow that said, "If they mean to have a war, let it start here." [Applause] Thank you.

Note: The President spoke at 2:32 p.m. in the International Ballroom at the Washington Hilton Hotel.

Appointment of Hugh D. Shine as a Member of the Intergovernmental Advisory Council on Education

June 24, 1987

The President today announced his intention to appoint Hugh D. Shine to be a member of the Intergovernmental Advisory Council on Education for the remainder of the term expiring July 27, 1989. He would succeed Sylvia B. Wagner.

In 1986 Mr. Shine was elected to be a State representative for the State of Texas and is currently serving in this capacity.

Prior to this he was the mayor pro-tem and city commissioner in Temple, TX, 1984–1986.

Mr. Shine graduated from Sam Houston State University (B.B.A., 1974). He served in the U.S. Army (active duty, 1974–1980; National Guard, 1980–present). Mr. Shine was born July 27, 1952, in Houston, TX. He has two children and resides in Temple, TX.

Remarks to Participants in the People to People International Youth Exchange Program

June 24, 1987

The President. It's a great pleasure to be here with all of you today. Your work this summer is going to be a great opportunity for both you and our country. You'll have a chance to get to know the other peoples and cultures, and a chance to perhaps bring some of both back with you.

For many generations, we Americans were able to live in a splendid isolation, bordered as we were by the two vast oceans. But in this century, we've learned the hard way that those days are over; that, like it or not, this nation is the final repository of mankind's greatest dream: a dream of human freedom and a world at peace. For us to withdraw or retreat into isolationism again that we'd known for so many years, I think would be—well, it would simply turn back and give control to those who believe in violence and war, and they'd have the final say on the world that we live in. So, that's why I'm delighted that you're here and why I'm certain that those you encounter in your travels will find

young Americans interested in the world around them, young Americans that are open to a different way of life and different ways of looking at history and current events. And I'm certain you will avoid having said of you what George Bernard Shaw said of a gentleman of his acquaintance. Shaw was quite a cynic. He said, "He knows nothing; he thinks he knows everything—that clearly points to a political career." [Laughter]

Well, many you encounter will be very curious about you and where you come from and this place called America. Bob Orben tells this story: Our son came home from college for the weekend, and I asked him, "How are things going?" And he said, "Good." And I said, "How's the food?" He said, "Good." I said, "And the dormitory?" He said, "Good." I said, "Well, they've always had a strong football team. How do you think they'll do this year?" He said, "Good." I said, "Well, now, how are your

studies going?" And he said, "Good." [Laughter] And I said, "Have you decided on your major yet?" And he said, "Yes." And I said, "What is it?" He said, "Communication." [Laughter] Well, don't be afraid to tell them what you think and to speak from your heart when you're over there. There's a lot to communicate to the outside world about what's going on in this country.

I just returned from Venice where I had a chance to address the young people of Europe in a speech over WORLDNET. I mentioned then, as I mention to you now, that we're a country of peace, interested not just in controlling nuclear arms but in dramatically reducing them in number. When we first made such proposals a few years ago the critics were in full cry, saying we were impractical and our steps were unacceptable. Today the Soviet Union is publicly agreeing with those suggestions, and for the first time we have before us a chance to radically reduce the number of weapons. And this, together with new defensive systems like SDI, offer the world an historic chance to escape the cloud of nuclear terror that has hung so heavily over the last part of the 20th century.

In my WORLDNET speech, I also pointed out that the United States is for world freedom as well as world peace. I tried to convey the excitement that is freedom and the growing realization that the only way for political freedom to prosper is to guarantee the equally important right to economic freedom.

You know, we take it so for granted, this freedom of ours. I've never forgotten the story told to me by a book publisher who was of German extraction. Now, he had been growing up and at your age in Germany when it was—this was long before Hitler. This was in the era of the republic. Now, we have a republic, and they had a republic. And I asked him once—because as a publisher, I noticed that he went out of his way to publish the writings of people who were writing on events and on philosophy of our country and so forth and political works of that kind—and he told me why. And he said, "Can you imagine what it was one day in a classroom to hear a professor define freedom for us, and he used the United States." He said, "Imagine that you

have arrived in the United States. You're standing on the Atlantic shore. Ahead of you is 3,000 miles of country." He said, "You are absolutely free to take off through those 3,000 miles on your own, stop anywhere you wanted to stop for as long as you wanted to stop, and finally pick where you wanted to live and decide to settle down there." And he said, "He was talking to a class of us who lived in a society where if you wanted to move from where you lived in one town just across to the other side of town you had to go to the city hall and get a permit. And then you had to explain why you were moving and where you were going and so forth." And he just never forgot that. And so, he ended up as a publisher of books in the United States.

Well, it is true. And as you look around at yourselves, and if we took all the lists of all your names and started analyzing the background of those names, it would turn out that literally every part of the world is your heritage. Here you are, all Americans, and you trace your heritage to, as I say, every corner of the world. In other words, those that we follow, our ancestors, happen to be people with a special belief in freedom and courage in their hearts that made them tear up roots wherever they lived, leave family and friends if need be, and travel to this new land where—most cases they didn't even know the language before they got here—and do it because of that extra urge for freedom that just the rest of their neighbors didn't have. And we are kind of a miracle. I have always said—you may call it mysticism if you will—but there had to be some divine plan that placed these great continents here between the two great oceans to be found by that kind of people. And that, maybe, is our purpose in life.

Now, we all have a kind of an affinity, even though we aren't the original immigrants, but some as grandparents, some great-grandparents, and further back than that are parents. And in America, the only place where you meet somebody and the first thing you know, you find out—saying, well, what are you? Well, I'm German-American, or I'm—and usually it's a mix anymore, because we've all lived here long enough that we get together and marry

across what might have been national lines. And, yes, it's all right to have an affinity for what was the mother country for all of us, because if a man takes a wife unto himself, he doesn't stop loving his mother because of that. But at the same time, we're all Americans. I'll get back to that a little later on, and some more about that.

But if you look at history, I think you'll find that the first signs of decline in great nations were economic ones, decline brought on by governments that spend too much of their citizens' hard-earned money and then burden them with excessive taxation and inflation in order to foot the bill. All around the world today, there's an increasing appreciation of this lesson, an increasing realization that growth and opportunity means getting big government out of the way and letting free peoples reach as far and as high as their talents and ambitions will take them. Now there's more and more understanding that just as we have the right to speak and publish and assemble and vote, we also have rights to enjoy the fruits of our labor and not be overtaxed and overburdened by government.

I once had an adventure with a State senator in California when I was Governor who didn't understand that. We turned up with a surplus one year of \$850 million. And the legislature had all kinds of ideas of what to do with it, and I had an idea, too, as Governor. I went before the people publicly and said, we're going to give it back to you. One day this senator stormed into my office. He said, "I think giving this money back to the people is an unnecessary expenditure of public funds." [Laughter] Where did he think it came from in the first place? But there are some that begin to think that it's government's money and they just let us keep a little of it. Well, in many ways, this is a reflection of what's been happening here in our own country during the past 6½ years. All the way along, the choice has been the same: more taxes, more spending, more regulation, more deficits or the other choice, less of all four and a lot more growth, opportunity, and a bright economic future for my generation and yours.

When I was in Europe, several leaders spoke to me about the threat that too much deficit spending posed to the world econo-

my. We're that important anymore economically. We can cause hard times in other countries by things we do. Here in America in the last few years, the Congress adopted something called Gramm-Rudman-Hollings, and that was a plan to gradually reduce the deficit, to set a goal down here and say each year we will come closer and finally we will reach the balanced budget, because for more than 50 years we've been deficit spending. We made progress, but now there are signs that some are going back on that commitment—the very commitment that so many other nations in the world are concerned about because they know how important our economic strength is, as I said, to their own well being.

Well, as I said the other day, we've reached breakpoint, decision time. And lately, some on Capitol Hill have been upset with me for mentioning this. They've been counseling me through the media that the people aren't listening, that they don't care any more. Well, I have to politely reject this advice. I know these decisions are important now, and they lay the foundation for our country as it faces the challenges of the 21st century, the century where you will be taking charge of this country.

I mention all this because some of those you meet abroad will ask you about this matter and our sometimes noisy arguments over here. And I hope you'll mention to them that our capacity for arguing, and arguing it all out in public, is actually the strength of our system, that dissent is not disunity. It's true there aren't many secrets here, but it's also true that that's what democracy is all about and why it's stronger over the long run and why freedom has a staying power. I guess what I'm hoping that you'll convey to our friends abroad is that sometimes in order to understand this country, you have to step back and give it a little perspective, like the cowboy who one day rode into the Grand Canyon, looked around, and exclaimed, "Wow, something happened here!" [Laughter] Well, point to America and her history, and something happened here.

You know, again, I want to speak of the uniqueness of our society, and I hope that

you will find ways to gently portray this. Now, that doesn't mean you have to be the way American tourists were when we first began to go back to the motherland and visit the ancestors or the families and so forth. I guess we were a little brash at that time. They tell a story about an elderly farm couple that went over, and they were in Italy. And they were looking at one of the volcanos over there, and the tourist guide was telling them the heat that came out of that volcano and this and that and all the great power of it. And the old boy turned to his wife, and he said, "We've got a volunteer fire department at home put that thing out in 5 minutes." [Laughter]

No, you don't want to do that. But I'll tell you what is unique about us, and it's here in this room, present with all of you. You can leave here and move to Japan, but you can't become Japanese. You can move to France; you can't become a Frenchman or a Frenchwoman—Greece and not become a Greek, Turkey—all of these. But anybody, anyplace, from any corner in the world can come to live in America and become an American. And I guess that we're the only place where that is true, and that's what we're all about. You know, it's the magic and the mystery and the majesty of freedom. It's your heritage, and wherever you go, be proud of it.

And now, my very best to each of you before you go there, not only this summer but in all the days ahead. And my watch tells me that the little 11-year-old girl who wrote me a letter one day was right. Soon after I got here, I was amazed—at 11 years old—she told me all the important things I was going to have to deal with and what the great problems were. And then she wound up with a P.S. She said, "Now, get back over to the Oval Office and go to work." [Laughter] That's what I have to do.

But I wish we could stay here and visit, and I wish that we could have a meeting when you come back again. I would like to hear your assessment of the countries that you've been in and what you've seen and what you've learned from them. But also, let them learn a little bit about us, that we're not against anybody and we want peace and we want to be neighbors with all

the world. And for one thing, we've proven to all the world that the old hatreds that used to exist and the rivalries on opposite sides of borders of other countries—Look at us; we've crossed all those borders. We're a melting pot, and we've found out we're all human beings, and it works.

So, God bless you, and have a good time while you're there. I know you will. Thank you.

Ms. Mandracchia. Thank you very much, Mr. President. My name is Melanie Mandracchia, and I come from Collegeville, Pennsylvania. On behalf of the People to People International, we would like to thank you for visiting with us today. Please extend our thanks to the First Lady, as well, Mrs. Reagan, for our sincere appreciation for her efforts and her many accomplishments in helping the young men and women of this country to make healthy and constructive decisions in their lives. I'd like to present you with this plaque as a token of our appreciation for your support in the International Youth Exchange.

The President. Well, thank you very much. I'm very proud to have this and proud to see you. And what did you say your name was?

Ms. Mandracchia. Melanie Mandracchia.

The President. What background is that name? [Laughter]

Ms. Mandracchia. It's Italian.

The President. It's Italian?

Ms. Mandracchia. It's very Italian.

The President. As I said, I was just there in Venice. They must have had a hard spring, because from the helicopter when I looked down, all the streets seemed to be flooded there. [Laughter] Well, I guess, as you probably know, mine's Irish, except that on my mother's side it was English and Scotch—isn't it? Here we are—America. [Laughter] Well, listen, I thank you very much for this, and I'm very honored, as I say, to have been here to see you all.

Ms. Mandracchia. Thank you.

The President. All right, go get 'em!

Note: The President spoke at 2 p.m. in Room 450 of the Old Executive Office Building.

Executive Order 12601—Presidential Commission on the Human Immunodeficiency Virus Epidemic

June 24, 1987

By the authority vested in me as President by the Constitution and laws of the United States of America, including the Federal Advisory Committee Act, as amended (5 U.S.C. App. I), and in order to create an advisory commission to investigate the spread of the human immunodeficiency virus (HIV) and the resultant acquired immune deficiency syndrome (AIDS) in the United States, it is hereby ordered as follows:

Section 1. Establishment. (a) There is established the Presidential Commission on the Human Immunodeficiency Virus Epidemic to investigate the spread of the HIV and the resultant AIDS. The Commission shall be composed of 11 members appointed or designated by the President. The members shall be distinguished individuals who have experience in such relevant disciplines as medicine, epidemiology, virology, law, insurance, education, and public health.

(b) The President shall designate a Chairman from among the members of the Commission.

Sec. 2. Functions. (a) The Commission shall advise the President, the Secretary of Health and Human Services, and other relevant Cabinet heads on the public health dangers including the medical, legal, ethical, social, and economic impact, from the spread of the HIV and resulting illnesses including AIDS, AIDS-related complex, and other related conditions.

(b) The primary focus of the Commission shall be to recommend measures that Federal, State, and local officials can take to (1) protect the public from contracting the HIV; (2) assist in finding a cure for AIDS; and (3) care for those who already have the disease.

(c) In particular, the Commission shall (1) evaluate efforts by educational institutions and other public and private entities to provide education and information concerning AIDS; (2) analyze the efforts currently underway by Federal, State, and local authori-

ties to combat AIDS; (3) examine long-term impact of AIDS treatment needs on the health care delivery system, including the effect on non-AIDS patients in need of medical care; (4) review the United States history of dealing with communicable disease epidemics; (5) evaluate research activities relating to the prevention and treatment of AIDS; (6) identify future areas of research that might be needed to address the AIDS epidemic; (7) examine policies for development and release of drugs and vaccines to combat AIDS; (8) assess the progression of AIDS among the general population and among specific risk groups; (9) study legal and ethical issues relating to AIDS; and (10) review the role of the United States in the international AIDS pandemic.

(d) The Commission shall make a preliminary report to the President not later than 90 days after the date the members of the Commission are first appointed or designated. The Commission shall submit its final report no later than 1 year from the date of this Order.

Sec. 3. Administration. (a) The heads of Executive departments and agencies, to the extent permitted by law, shall provide the Commission, upon request, with such information as it may require for purposes of carrying out its functions.

(b) Members of the Commission may receive compensation for their work on the Commission at the daily rate specified for GS-18 of the General Schedule. While engaged in the work of the Commission, members appointed from among private citizens of the United States, to the extent funds are available, may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in the government service (5 U.S.C. 5701-5707).

(c) The Office of the Secretary of Health and Human Services, subject to the availability of appropriations, shall provide the Commission with such administrative serv-

ices, funds, facilities, staff, and other support services as may be necessary for the performance of its functions. The heads of other Executive departments and agencies, to the extent permitted by law, shall cooperate with the Commission and provide such personnel and administrative support as may be necessary for the performance of its functions.

Sec. 4. General Provisions. (a) The functions of the President under the Federal Advisory Committee Act, as amended (5 U.S.C. App. I), except that of reporting annually to the Congress, which are applicable to the Commission, shall be performed by the Secretary of Health and Human Serv-

ices, in accordance with guidelines and procedures established by the Administrator of General Services.

(b) The Commission, unless sooner extended, shall terminate 30 days after submitting its final report to the President.

RONALD REAGAN

The White House,
June 24, 1987.

[Filed with the Office of the Federal Register, 4:14 p.m., June 25, 1987]

Note: The Executive order was released by the Office of the Press Secretary on June 25.

Appointment of W. Eugene Mayberry as a Member of the Presidential Commission on the Human Immunodeficiency Virus Epidemic, and Designation as Chairman

June 25, 1987

The President today announced his intention to appoint W. Eugene Mayberry to be a member of the Presidential Commission on the Human Immunodeficiency Virus Epidemic. Upon appointment, he will be designated as Chairman.

Dr. Mayberry is currently chief executive officer of the Mayo Foundation in Rochester, MN (1986–present) and is chairman of the board of governors of the Mayo Clinic (1976–present). Since 1971 Dr. Mayberry

has served on the Mayo Foundation board of trustees. He has been a consultant in various positions at the Mayo Clinic since 1960. Dr. Mayberry is a specialist in endocrinology.

Dr. Mayberry graduated from the University of Tennessee (M.D., 1953) and the University of Minnesota (M.S., 1959). He was born August 22, 1929, in Cookeville, TN. Dr. Mayberry is married, has two children, and resides in Rochester, MN.

Remarks at the Presentation Ceremony for the National Medals of Science and Technology

June 25, 1987

Thank you very much, and welcome to the White House. One of the pleasures of this job is being able to meet individuals who are contributing to our country and, yes, bettering all of mankind as well. And that is, of course, the ultimate goal of technology and science: a quest for bettering the human condition. So, today it's a great

pleasure for me to honor some champions of progress, some American heroes of technology and science.

One of the advantages of being my age—and believe me my birthday cake is beginning to look more like a celestial phenomenon every year—[laughter]—is that it provides a perspective that can't help but lead

one to be optimistic about the future of our country and the direction of the human race. I've already lived some 23 years longer than was projected when I was born. That's a source of consternation in certain circles. [Laughter] But I'm still here, as are other people, because during the intervening years, men and women of science have made enormous strides combating diseases, bolstering health, lengthening the lifespan, and improving the quality of living.

I remember when I was in high school we were still being taught about the predictions of a 19th century economist named Malthus who calculated that by now mankind would be suffering catastrophic shortages of food and the necessities of life. Over the last 200 years there've been a number of experts like him who've made their reputation, earned a living, forecasting planetary gloom and doom. Well, the people we honor today are among those who make their living seeing to it that those dire predictions will never come true. You see, what the pessimists rarely take into account is the potential of human intelligence and ingenuity to overcome problems. The most vital factor in maintaining man's environment and ensuring that the needs of the Earth's population are taken care of is human freedom. It's freedom that energizes the creative spirit of mankind to meet the immense challenges of our modern age. If you believe in freedom and see what the people have accomplished in just one lifetime you can't help but be optimistic.

Our Founding Fathers were just such people, and as Jefferson wrote: "I like the dreams of the future better than the history of the past." Benjamin Franklin once wrote: "I have sometimes almost wished it had been my destiny to be born two or three centuries hence. For invention and improvement are prolific and beget more of their kind. The present progress is rapid. Many of great importance, now unthought of, will before that period be produced; and then I might not only enjoy their advantages but have my curiosity gratified in knowing what they are to be." Well, after reading of the accomplishments of those we honor today, I couldn't help but feel like Franklin and wish that I were going to be around to see where we're headed—let us

say 100 years from now.

It was just 50 years ago that Lindbergh flew nonstop from New York to Paris, a feat that was applauded the world over. It took him 33½ hours. Today we make that same run in a plane carrying 400 passengers and do it in about 7 hours. And now we're conducting research for an aerospace plane which will cover the distance in 45 minutes. Lindbergh, like Jefferson, was a dreamer, a man who pushed back the frontiers. There's a story about a father and his young son who visit the Air and Space Museum here in Washington. And there, hanging in all its glory, is Lindbergh's airplane, the *Spirit of St. Louis*. And the boy asked his father, "Was it difficult for Lindbergh to fly across the Atlantic all alone?" And his father said, "It would have been harder with a committee." [Laughter]

The recipients of this year's National Medals of Science and Technology, I'm certain, have had to overcome a variety of obstacles. Yet with diligence and dedication, they persevered. They put their genius to work, and the results are phenomenal. This year's recipients include individuals who have made contributions in agricultural biochemistry, magnetic resonance imaging, advanced mathematics, causes and treatments of diseases, geotechnical engineering, semiconductors, communications satellites, and much, much more. These individuals have been on the front lines of the battle for national competitiveness and productivity. They and their colleagues are keeping America in pace and, in many cases, out front. These are the dreamers, the builders, the men and women who are the heroes of the modern age.

Our country's greatest asset is not our vast expanse of land and not our abundant resources or our temperate climate. Instead, what will serve America most in the years ahead, our most precious possession, is the genius of our people. It will be the inventions, the ideas, the innovations developed by our fellow Americans, like those we honor today, that will not only keep us competitive but enable us to beat the competition. That's one of the reasons we've taken care to pay them the tribute that they deserve.

June 25 / Administration of Ronald Reagan, 1987

Now, Secretary Baldrige and my science advisor, Dr. Graham, will now announce the recipients, and I will present the awards.

Note: The President spoke at 11:35 a.m. in

the Rose Garden at the White House. Secretary of Commerce Malcolm Baldrige and William R. Graham, Science Advisor to the President and Director of the Office of Science and Technology Policy, presented the awards.

Message to the Senate Transmitting the Federal Republic of Germany-United States Extradition Treaty

June 25, 1987

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Supplementary Treaty to the Treaty Between the United States of America and the Federal Republic of Germany Concerning Extradition signed at Washington on October 21, 1986. I transmit also, for the information of the Senate, the report of the Department of State with respect to the Supplementary Treaty.

The Supplementary Treaty adds to and amends the Treaty Between the United States and the Federal Republic of Germany Concerning Extradition, signed at Bonn on June 20, 1978. It represents an important step in improving law enforcement cooperation and combatting terrorism by excluding from the scope of the political of-

fense exception serious offenses typically committed by terrorists, e.g., murder, manslaughter, kidnapping, use of a destructive device capable of endangering life or causing grievous bodily harm, and attempt or conspiracy to commit the foregoing offenses.

The Supplementary Treaty also will help to improve implementation of the current Extradition Treaty in several other respects.

I recommend that the Senate give early and favorable consideration to the Supplementary Treaty and give its advice and consent to ratification.

RONALD REAGAN

The White House,
June 25, 1987.

Message to the Congress Transmitting the Republic of Korea-United States Fishery Agreement

June 25, 1987

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94-265; 16 U.S.C. 1801 *et seq.*), I transmit herewith an Agreement effected by exchange of notes May 13, 1987, extending for the period of 2 years from July 1, 1987, until July 1, 1989, and amending to conform with current United States law, the Governing International Fishery Agreement between the Government of the United States of America and the Govern-

ment of the Republic of Korea, signed at Washington on July 26, 1982. The exchange of notes together with the present Agreement constitute a Governing International Fishery Agreement within the requirements of section 201(c) of the Act.

Several U.S. fishing industry interests have urged prompt consideration of this Agreement. Because of the importance of our fishing relationship with Korea, I urge that the Congress give favorable consideration to this Agreement at an early date.

Since 60 calendar days of continuous session, as required by the legislation, may not be available before the current Agreement is scheduled to expire, I recommend that the Congress consider passage of a joint resolution to bring into force the Agreement

of May 13, 1987.

RONALD REAGAN

The White House,
June 25, 1987.

Proclamation 5672—National Catfish Day, 1987

June 25, 1987

*By the President of the United States
of America*

A Proclamation

More and more Americans are discovering a uniquely American food delicacy—farm-raised catfish. In 1986, catfish comprised the third highest volume of finned fish consumed in the United States. Ninety-nine percent of all these catfish were farm-raised. Between 1975 and 1985, production of farm-raised catfish increased by 1200 percent. Most observers expect that production will continue to increase in 1987. Production costs of catfish farming, which have averaged only 65 cents per pound over the past 8 years, have resulted in a stable income for growers and an economical food product for consumers. The accompanying growth of the catfish processing industry also has created thousands of permanent jobs.

Farm-raised catfish have come a long way from their bottom-feeding ancestors. The catfish that are available today, fresh or frozen in markets nationwide, are products of state-of-the-art methods of aquaculture. They thrive in clean freshwater ponds on many American farms, where they are sur-

face-fed soybean meal, corn, fish meal, vitamins, and minerals. Farm-raised catfish not only furnish American consumers with a tasty delicacy but also provide a nutritious, low-calorie source of protein that is also low in cholesterol.

In recognition of the value of farm-raised catfish, the Congress, by House Joint Resolution 178, has designated June 25, 1987, as "National Catfish Day" and authorized and requested the President to issue a proclamation in its observance.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim June 25, 1987, as National Catfish Day. I call upon the people of the United States to observe this day with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this twenty-fifth day of June, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 4:13 p.m., June 25, 1987]

Message to the Senate Transmitting the Regional Agreement for the Medium Frequency Broadcasting Service

June 26, 1987

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I trans-

mit herewith the Regional Agreement for the Medium Frequency Broadcasting Service in Region 2, with annexes, and a Final

Protocol (containing a statement of reservation made by the United States), signed on behalf of the United States at Rio de Janeiro on December 19, 1981. I transmit also, for the information of the Senate, the report of the Department of State with respect to the Agreement.

The Agreement establishes a Plan of frequency assignments and associated procedures designed to enable the International Telecommunication Union (ITU) member countries of Region 2 (essentially, the Western Hemisphere) to protect each other's radio broadcasting services in the medium frequency band (535–1605 kHz, commonly known as AM radio) from mutually caused objectionable interference. It is the result of two sessions of a Regional Administrative Radio Conference held in 1980 at Buenos Aires, and in 1981 at Rio de Janeiro, under the auspices of the ITU. The Regional Agreement will replace the 1950 North American Regional Broadcasting Agreement (NARBA) and the 1968 U.S.-Mexico agreement as the basic agreement among North American countries to maintain an orderly development of their AM radio

services. The Agreement, with one exception noted below, is consistent with the proposals of and positions taken by the United States at the 1981 conference.

Given the level of objectionable interference to U.S. stations from various countries in the Region (particularly Cuba), the United States, at the time of signature, submitted a statement (No. 14) on this subject for inclusion in a Final Protocol to the Agreement. The statement, with reasons, is given in the report of the Department of State.

I believe that the United States should become a party to this Agreement, which has the potential to improve the utilization of medium frequency broadcasting services in the Western Hemisphere, and it is my hope that the Senate will take early action on this matter and give its advice and consent to ratification of the Agreement, with annexes, and a Final Protocol (containing a statement of reservation made by the United States).

RONALD REAGAN

The White House,
June 26, 1987.

Statement on the Resignation of Supreme Court Justice Lewis F. Powell, Jr.

June 26, 1987

I have been advised today that, after 16 years on the Supreme Court bench, Justice Lewis F. Powell, Jr., has announced his retirement. Throughout his career, Justice Powell has won a reputation for intellectual balance and fair-mindedness. He is known for his courtliness and courtesy and is truly a Justice's Justice.

These past 16 years have been among the most momentous in the Court's history. Justice Powell's personal role in the Court's decisions on a wide range of issues has led one commentator to say that he "has had as

powerful an influence as anyone alive" in interpreting the law of the land. I speak for all Americans in saying that his has been a wise and generous influence and one that will be greatly missed.

The President's responsibility under article II, section 2 of the Constitution to nominate Justices of the Supreme Court is one of the most significant duties of my office. I believe that the Court should enter the next term at full strength, and so I will soon be submitting to the Senate my nomination for Justice Powell's successor.

Nomination of Robert G. Rich, Jr., To Be United States Ambassador to Belize

June 26, 1987

The President today announced his intention to nominate Robert G. Rich, Jr., a career member of the Senior Foreign Service, Class of Minister-Counselor, to be the United States Ambassador to Belize. He would succeed Malcolm R. Barnebey.

Prior to joining the Foreign Service in 1957, Mr. Rich was a graduate research assistant at the University of Florida, 1954-1955; junior research engineer, Sperry Rand Corp., Little Neck, NY, 1955; and graduate teaching assistant at Cornell University, 1955-1957. His first assignment in the Department of State was staff officer in the Executive Secretariat, 1957-1959. He was assigned as a political affairs officer at the U.S. Embassy in Seoul, Korea, 1959-1962, followed as administrative officer at our consulate in Medan, Indonesia, 1962-1963. Mr. Rich then served as political officer at the U.S. Embassy in Jakarta, Indonesia, 1963-1965, returning to Medan as principal officer, 1966-1967. He served on the

Indonesian desk at the Department of State for 2 years and then as senior watch officer in the Operations Center, 1969-1971. Mr. Rich attended the National War College for a year before becoming staff director of the Board of Examiners for the Foreign Service, 1972-1973. From 1974 to 1975, he was deputy chief of mission at the U.S. Embassy in Port-of-Spain, Trinidad and Tobago. Mr. Rich then became Director of Korean affairs in the Department, 1977-1981, followed by a year at the senior executive seminar in national and international affairs. He then became deputy chief of mission at the U.S. Embassy in Manila, Philippines, 1982-1985, and since 1986 has been in charge of special projects on U.S. relations with the Philippines.

Mr. Rich graduated from the University of Florida (B.S., 1952). He served in the U.S. Navy, 1952-1954. Mr. Rich is articulate in Indonesian. He was born November 15, 1930, in Gainesville, FL. Mr. Rich has six children and resides in Arlington, VA.

Nomination of Arnold L. Steinberg To Be a Member of the Board of Directors of the National Institute of Building Sciences

June 26, 1987

The President today announced his intention to nominate Arnold L. Steinberg to be a member of the Board of Directors of the National Institute of Building Sciences for a term expiring September 7, 1988. He would succeed Van Norden Logan.

Since 1979 Mr. Steinberg has been president of Arnold Steinberg & Associates, Inc., in Sherman Oaks, CA. Prior to this he

served as a management consultant for political campaigns.

Mr. Steinberg graduated from George Washington University (B.A., 1969) and Pepperdine University (M.B.A., 1975). He was born October 23, 1947, in Los Angeles, CA. Mr. Steinberg currently resides in Sherman Oaks, CA.

Appointment of Armand Hammer as a Member of the President's Cancer Panel, and Designation as Chairman

June 26, 1987

The President today announced his intention to appoint Armand Hammer to be a member of the President's Cancer Panel for a term expiring February 20, 1990. This is a reappointment. Upon appointment, he will be designated Chairman for a term of 1 year.

Dr. Hammer is chairman of the board and chief executive officer of the Occiden-

tal Petroleum Corp. in Los Angeles, CA. Dr. Hammer graduated from Columbia University (B.S., 1919; M.D., 1921) and Pepperdine University (LL.D., 1978). He served in the U.S. Army Medical Corps, 1918-1919.

Dr. Hammer was born May 21, 1898, in New York, NY. He is married, has one child, and resides in Los Angeles, CA.

Statement on the Death of Arthur F. Burns

June 26, 1987

Nancy and I are saddened to learn of the passing of Dr. Arthur F. Burns. Dr. Burns was among the most brilliant economists of his generation. He had an enduring belief in the strength of individual enterprise and the wisdom of a free people.

For 35 years Arthur Burns helped guide the economic policies of our country. As Chairman of the Federal Reserve Board in the 1970's, he contributed to the shaping of American monetary policy during a difficult and critical period. As Chairman of the Council of Economic Advisers during President Eisenhower's first term, he helped return stability and growth to the American

economy of the early fifties. During the first 4½ years of my administration, Dr. Burns served with great distinction as Ambassador to the Federal Republic of Germany. There he proved a wise and skillful diplomat as well as a trusted adviser. He was also a friend to the West German people and their leaders.

America has lost one of its most dedicated and able public servants, a man of great gifts who gave those gifts freely to the Nation he loved. Nancy and I send our sympathies to his wife, Helen, and to their entire family, who are in our prayers.

Proclamation 5673—National Outward Bound Week, 1987

June 26, 1987

*By the President of the United States
of America*

A Proclamation

A quarter-century ago, in Colorado, Outward Bound began to provide rigorous outdoor recreational programs to young people to improve their self-confidence, sense of social responsibility, physical fitness, and outdoor skills. Since then, across our land,

more than 150,000 people of all backgrounds, ages, and abilities have tackled the challenges offered by Outward Bound, and many similar experience-based programs have come into being.

Every American can rightly celebrate the anniversary of this remarkable nonprofit organization, because it fosters love for the wilderness and strengthens our Nation by stressing the perseverance, teamwork, lead-

ership, and goal-setting we all need to overcome obstacles and adversity and to discover our potential for achievement.

In recognition of Outward Bound's significant role in recreation, conservation, and youth development, the Congress, by House Joint Resolution 284, has designated the week beginning June 21, 1987, as "National Outward Bound Week" and authorized and requested the President to issue a proclamation in its observance.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning June

21, 1987, as National Outward Bound Week. I call upon the people of the United States to observe this week with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this twenty-sixth day of June, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:39 a.m., June 29, 1987]

Radio Address to the Nation on Economic Growth and Deficit Reduction

June 27, 1987

My fellow Americans:

With all the sideshows and hoopla in Washington these days, you may sometimes wonder if anyone's paying attention to what really matters. Keeping inflation, unemployment, and your taxes down and growth up, and getting control of our Federal deficit so the economy will stay healthy—these are among Washington's most important jobs.

In the last few weeks there's been good news and bad news out of Washington about our nation's economic future. The good news is that our economy is strong and getting stronger. Just a week ago we learned that in the first 3 months of this year, our economy had its best quarter in almost 3 years. We're now in the 55th month of what will soon be the longest peacetime economic expansion in history. And the improvement in the trade deficit, which we've been talking about for several months, is now being certified on the front pages of many of our nation's newspapers. As things look today, the good times will keep rolling for as far as the eye can see.

Because of this growth, we continue to create jobs at a breakneck pace—an average of about 245,000 a month, more jobs in the last 4 years than Europe and Japan combined. More people are at work today than ever before. Family income is grow-

ing, poverty is falling, and the middle class is strong. Not only that, but the inflation report we got this week is also good. As one analyst said, "The numbers indicate that no spurt of inflation is likely." That's the good news.

The bad news is that there are some here in Washington who are on a course that could undo all the work that made that good news possible. When we came into office 6½ years ago, we had a four-part plan to lower taxes, reduce regulations, stabilize monetary growth, and balance the budget. We put three of those four parts into action and lowered the growth of government spending to boot. The result has been four of the best years in our history. Balancing the budget by reducing government spending is the one piece left to put into place if we're to keep our prosperity going strong in the years to come.

For years, we've piled deficit on top of deficit, mortgaging our future and that of future generations. To continue on this path is to court disaster. Yes, we can go ahead and keep borrowing. We can spend beyond our means. But one day the bills will come due. And even before they arrive, we'll be living with a government whose uncontrolled spending robs families and enterpris-

ing men and women of the savings and incentive to build for themselves, for our nation, and for the future. That's our choice: Close the deficit and lock economic expansion in place for the years ahead, or return to the days of inflation and stagnation. We must answer the call to action now if we are to preserve and protect our economic expansion. The answer is clear: Get on and stay on the road of declining deficits.

When we look to Capitol Hill, however, the picture on the screen is all too familiar. It's an old rerun called "Business as Usual." Congress drifts through the process of drawing up a budget, missing its own deadlines, even failing to pass individual spending bills. In the last 11 years, Congress hasn't once enacted all 13 of the Government's spending bills by the beginning of the fiscal year, although the law requires it. It's been 10 years since they've passed every one of those bills by the end of the fiscal year. Last year, Congress proved beyond all questioning that, with the current process, it can't manage fiscal affairs. Even under the discipline of Gramm-Rudman-Hollings, it failed to pass a single one of the regular 13 appropriation bills.

Instead, Congress sent me a catchall, desperation move called a continuing resolution that jammed all appropriations into one bad piece of last-minute legislation and dangerously underfunded defense and foreign affairs. It favored domestic spending, especially pork-barrel projects ranging from subsidies for luxury apartments to roads that literally go nowhere. I had an all-or-nothing choice: Take it or close the Government down.

Now, the first few of this year's regular 13 appropriation bills are heading my way. Two passed the House this week. And if all Congress' spending measures turn out like these, this year's 13 appropriations bills won't be a baker's dozen; they'll be a dirty dozen. What's in this one? More pork; more shortchanging of defense. They even managed to throw in dangerous protectionist measures. I need your help if we're to make Congress face the fact that its budget process is broken and needs fixing. At stake is reliability in government spending and the economic future of our nation.

Until next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from Camp David, MD.

Remarks at a White House Briefing for Administration Supporters June 29, 1987

Well, thank you very much, and welcome to the White House. You didn't know it—they call this the White House, too. [*Laughter*] Don't know how it got that way. But a particular welcome to all of you. They say there's no friend like an old friend, and you here are some of our oldest. Now, wait a minute, that's not exactly the way to frame that. [*Laughter*] Some of you are the longest time friends. [*Laughter*] You were with us in '80, and many of you were with us in '76. And for the fellows in the press, that's 1976, not 1876. [*Laughter*]

But we've been together for a long time and fighting for the same cause for a long time. Far back as we go, the cause that

unites us goes back much further. It's a simple thing, really—as old as the ages and as new as the hope in each morning's dawn. Call it the ideals of the Declaration of Independence, call it the principles of the Constitution, or call it the wisdom of the founders or of the prophets or the philosophers and the saints. Our stand is today what it's always been—for the enduring cause of the human spirit against all who would stifle or oppress it. Our stand is for freedom.

When we got started, the received wisdom of sophisticated opinion all over the world was that people no longer really cared about freedom; that government could do it all—and should—because gov-

ernment was so very wise. I've always thought that the common sense and the wisdom of the Government were summed up in a sign they used to have hanging on that gigantic Hoover Dam. It said: "Government Property. Do Not Remove." [*Laughter*]

Archimedes said: Show me the spot to stand, and I will move the world. And with our stand for freedom, we have moved the world. Today big government is in retreat all over the world. We said lower taxes, fewer regulations, and more enterprise were the way to prosperity. And today America is in its 55th month of economic expansion, an expansion that's just a few months away from being the longest in our peacetime history. Yes, we said that the surest road to prosperity was to let the American people tune up the carburetor, fill up the tank, and step on the gas of the greatest energy for—or the greatest engine, I should say, for beating poverty and building prosperity the world has ever known—the American free enterprise system.

We said that the road to peace was through unquestioned American strength and through an America that nations throughout the world could and would respect. My favorite cartoon of the last few years was one—right after we really began rebuilding our military—of two Russian generals. And one of them was saying to the other, "I liked the arms race better when we were the only ones in it." [*Laughter*]

We said that in relations between the superpowers, it was time for realism: Nations don't distrust each other because they're armed; they're armed because they distrust each other. And we said that this realism was the first step, not toward controlling the growth of the number of arms, but of bringing about what all mankind prays for—real and verifiable reductions in the number of nuclear weapons. And we said that the tide of history was not the tide of oppression. The tide of history is a freedom tide. In the last 6 years, not 1 square inch of ground has been lost to communism, and a small nation—Grenada—has been liberated.

This is what our crusade has meant to America and the world. But let's be clear about one thing. All those who talk about

lameducks and the post-Reagan era are dead wrong. I can't help noticing that they're the same gurus whose mantra for the last 6 years has been, "This too shall pass." [*Laughter*] There will be no post-Reagan era, because there's been no Reagan era in the way those people mean it. This has been the era of the American people. Leaders may come and go. When it comes to the American people, their truth keeps marching on. The challenge for us today is to use the next year and a half to secure the progress that we've made so far, to ensure that America's legacy to the 21st century is one of prosperity, strength, peace, and freedom. We can prepare America for entering the decade and the century ahead.

And the first job before us is right here at home. It's just this simple: Some in Congress want to cut defense spending, raise taxes, and go back to the days of big government, and I won't let them. We've fought long and hard to bring down the American people's tax rates. We worked for over 2 years to reform our antiquated tax system and to bring down the taxes families pay. I can't help but remember that just recently at the economic summit I whispered, while we were sitting around the table, to one of my colleagues there, the head of one of our allied trading partners, about what was the lowest tax rate in their income tax. It was only 1 percentage point less than our highest rate is going to be as of next year when our reform is fully implemented—27 percent, they start at; we finish at 28. So, well, I know you've heard me say this before, but it bears repeating. I will veto any tax bill that reaches my desk.

Last week Congress passed a budget resolution that would repeal much of the progress we've made in the last 6 years. The Republican Senate Staff Committee on the Budget estimates that this resolution nearly doubles the rate of growth in total spending over this year. The resolution calls for new taxes, more than \$19 billion next year alone. And on defense, the House Armed Services Committee wants the Defense Department to put off paying its bills for the last 12 days of the year, which pushes \$6 billion into 1989. It might make

1988 look a little better for 12 days, but to get a full defense appropriation, also under their bill, I have to agree to raise taxes—that even this so-called full appropriation is a cut in defense spending after inflation. Well, I have just three words to describe appropriation bills that come to the White House reflecting that budget resolution, three words: dead on arrival. The business I used to be in taught you to, if you hear a good line, repeat it. *[Laughter]* And I heard that line up on the Hill, but it was in a different context.

In the months ahead, I'll be talking about how we can lock in and expand on the gains we've made in the last 6 years. I'll be talking about an economic bill of rights, including a line-item veto and a balanced budget amendment to the Constitution. You know, the polls indicate that more than 80 percent of the people in this country want that balanced budget amendment. The first Bill of Rights took 2½ years to pass. So, this will be a long road, but we owe it to our children to be sure that, by the end of the decade, they have an economic bill of rights.

No, this isn't the time to move backward; it's the time to move forward. Our strong national defense has brought us close to an arms reduction agreement with the Soviets. And make no mistake about it, I think that's the principal thing that brought them to the table to, for the first time in their history, actually themselves suggest reducing the number of weapons they already had. Before the end of this year, we could have an agreement to reduce intermediate nuclear weapons, and as I say, this will be the first true arms reduction agreement ever. When we first talked about reducing arms rather than controlling their growth, we were told that we were naive, we couldn't be serious. Well, now an agreement is in sight, and that is because we've been strong. And this is not the time to backtrack.

And there's someplace else we shouldn't backtrack. Democracy is on the march throughout the hemisphere. Ten years ago, only a third of the people in Latin America and the Caribbean lived in democratic countries or countries moving towards democracy; today 90 percent do. In Central

America, only Nicaragua stands against the democratic tide. Nothing has been said in the last 6 months that changes one basic truth: For our nation and for the cause of freedom and democracy around the world, America must stand by the freedom fighters in Nicaragua.

Our crusade has come so far. Yet in the months ahead, we still have far to go. We must hold the White House in 1988. And let me just say, I don't plan to sit on the sidelines. I plan to campaign for our party's nominee next time around. And I also plan to work for our senatorial, gubernatorial, and congressional candidates. And I hope all of us here will be working together. We should also remember how important seats in the State legislatures are to the future of the Congress. The State legislatures draw the lines for Congressional districts. In 1984 we just about tied the popular vote for the House. Think of it. Just about as many people voted for Republican candidates as Democratic candidates, but we lost the seat count, and that was because of the way the districts were drawn. In 1970, when I was still Governor of California and they drew up the redistricting there, I think the only Republican district they left us was south of the border. *[Laughter]* We have a duty to make sure that next time around, when the district lines are drawn, they are done in a way that will let the people's voice be heard.

So, this is my call to you today. We've come this far together, but the journey isn't over. We've won many battles and our brows are covered with sweat and our bodies have wounds, but let our hearts remain full and strong. We have more battles yet to win, and standing shoulder to shoulder, we'll win them. And in that context, I have to ask you for something to do. I know how hard you're going to continue working, as you always have. But back in 1966, we gave birth to something in California that turned out to be so successful in the whole history of our party politics—the 11th commandment: "Thou shalt not speak ill of another Republican." And we observed it. And I think in California that year it was observed because the Federated Republican Women's Club passed a resolution

in advance that they would support no candidate who had violated in the primaries the 11th commandment. And we all did observe it as candidates. I was a candidate, myself.

And somehow, over the past years, we've begun to forget about that. And now we've got a number of candidates out there contesting with each other. It is up to all of us and other groups and organizations around to start doing what the Federated Women did and make sure that all of our candidates, even our own very favorite candidate, whoever he may be, must not violate

that commandment. We must be ready so that when the election is over, without any blushing or hesitation, we can all come together in support of whoever was the nominee.

Well, I haven't got any more song to sing, so I'll just, again, say thank you all for so much that you do. Thank you, and God bless you all.

Note: The President spoke at 11:31 a.m. in Room 450 of the Old Executive Office Building.

Message on the Observance of Independence Day, 1987

June 29, 1987

This Fourth of July, as in years past, Americans celebrate the Declaration of Independence and our Nation's 211th birthday with parades down Main Street, ceremonies at town halls, worship at churches and synagogues, and patriotic moments at picnics and fireworks shows and baseball games. Americans overseas pause in thoughts of home and what our country means to them. All of us remember with wonder and gratitude that we celebrate a profound conception of freedom, one our countrymen have asserted and defended over and over.

That conception of freedom is expressed with eloquence and wisdom in the Declaration of Independence and in the Constitution whose bicentennial we observe this year. The Declaration affirms our belief that government exists to secure our God-

given rights to life, liberty, and the pursuit of happiness. The Constitution provides for a system of limited government which secures these blessings of liberty, ensuring that We the People remain truly in charge.

On this Independence Day, let us recall our Founders' pledge to make any sacrifice as they fought for liberty and freedom. Let us remember that millions of Americans have struggled to pass on to us the precious gift of Independence—that it is from them that the light of this great national anniversary is truly drawn, and that it is in their name today that we pledge ourselves anew to keep that light burning proud and strong.

To all my fellow Americans, Happy Fourth of July!

RONALD REAGAN

Statement by Assistant to the President for Press Relations Fitzwater on United States Policy in the Persian Gulf

June 30, 1987

I'll have a brief statement on behalf of the President, and Secretary Shultz and Secretary Weinberger will follow me to take questions. Secretary Shultz has to leave

very soon to attend a funeral, so we will proceed rapidly.

The President just finished meeting with the bipartisan leadership of the Congress on

our policy in the Persian Gulf. It was agreed that the United States has vital interests in the Gulf, that we cannot permit a hostile power to establish a dominant position there, that we must remain a reliable security partner for our friends in that region, and that continued close consultation between the administration and the Congress is essential.

The U.S. strategy for protecting our interests in the Gulf must continue to focus on the urgent need to bring the Iran-Iraq war, now in its seventh bloody year, to the earliest possible negotiated end, leaving no victor and no vanquished. In the weeks ahead, the administration will be pursuing diplomatic efforts to reduce tensions in the Gulf and help end the Iran-Iraq war. As the President emphasized yesterday in letters to all members of the U.N. Security Council, the United States urges that the Security Council meet before the middle of July to pass a strong, comprehensive resolution calling for an immediate cease-fire and withdrawal to borders, exchange of prisoners, establishment of an impartial body to determine responsibility for the conflict, and an international postwar reconstruction effort. The President directed Secretary of State Shultz to personally represent him at that meeting, as well as to manage our overall diplomatic effort. United Nations Secretary-General Perez de Cuellar supports this effort.

In the meantime, the United States will be consulting at the United Nations on a second resolution that would place effective sanctions to bear against any party which refuses to comply with the cease-fire withdrawal resolution. The President is sending

Ambassador Walters to several capitals for consultations on Security Council action. As we pursue this major diplomatic initiative, we will continue efforts to bolster the security of our friends in the Gulf.

We are moving forward with preparations for registration under U.S. flag of 11 Kuwaiti-owned tankers, as well as with careful security arrangements to protect them. We expect those arrangements to be in place by mid-July, at which time we plan to proceed. When we begin this operation, those tankers will be full-fledged U.S.-flagged vessels, entitled to the protection the U.S. Navy has historically accorded to U.S.-flagged vessels around the world. We will also continue to work closely with our friends and allies and with the Congress on meeting and reducing the security threat in the Gulf.

The administration's overriding goals in the Persian Gulf today are to help our moderate Arab friends defend themselves, to improve the chances for peace by helping demonstrate that Iran's policy of intimidation will not work, to bring about a just settlement of the Iran-Iraq war that will preserve the sovereignty and territorial integrity of both parties, to curtail the expansion of Soviet presence and influence in this strategic area, and to deter an interruption of the flow of oil. The administration will continue to pursue these aims with forceful and energetic diplomacy in the weeks ahead.

Note: Marlin Fitzwater read the statement to reporters at 10:47 a.m. in the Briefing Room at the White House. Vernon A. Walters was the U.S. Representative to the United Nations.

Remarks at a White House Presentation Ceremony for the President's Volunteer Action Awards

June 30, 1987

Thank you all very much, but it's you who deserve the applause. It's a great honor for me to welcome all of you to the White House. The truth is, your presence here

makes me feel a bit humble. You've all done such great work for charity and the private sector initiative effort. You know, I have to tell you, I've never been very good

at fundraising myself. *[Laughter]* No, I mean this going out and asking people for something like that—that's the reason I got into government. We don't ask for it; we just take it away from you. *[Laughter]*

You know, there's a story about a small-town charity. A new chairman was elected, and he was going through all the records as it came time for the annual charity drive, and he saw where one of the richest men in town had never given a penny. So, he went to see him, and he said that he'd been going through the records, and he said, "The records show that you have never given anything to the annual town charity." And the man said, "Well, do the records also show that I had a brother who was permanently injured as a result of a wound in World War II and is unable to work or take care of himself? Do they show that my sister was widowed with seven children left and no insurance and no means of support?" Well, the chairman, a little abashed, said, "Well, no, our records don't show that." Well, he said, "I don't give them anything. Why should I give something to you?" *[Laughter]*

Well, thankfully, that kind of thinking is about as alien as you can get, not only to the people gathered here today but to the American character in general. Perhaps the most striking thing about Americans is their generosity of spirit. The famous chronicler of early 19th-century America, the Frenchman de Tocqueville, remarked upon this quality. He went back after visiting America, and he said: These Americans are the most peculiar people in the world; no sooner do they recognize a need that isn't being met than they round up their neighbors, form a committee, and start addressing that need.

Well, it's a remarkable fact—one I've often said that philosophers should contemplate—that the freest nation on Earth is also the most altruistic, its people among the most generous anywhere. You know, when you've been around for as long as I have and have lived through most of the 20th century, there's not a whole lot that surprises you. Some time ago, however, I saw something that really touched my temperature control. It was one of those TV commentators going on and on, scolding the

American people, saying we'd become selfish, we were only out for ourselves, had lost our dedication to community and country. Well, I don't know what crowd he's hanging around with, but they sure aren't representative of the American people.

A recent poll by George Gallup found voluntarism in this country has reached a 10-year high and is on a steady upswing. And the report found that "despite the high mobility of families in the United States, the increase in women in the work force and charges that Americans are increasingly preoccupied with their material well-being, voluntarism continues to grow in this nation." Last year it set another new record, as it does just about every year. Private giving to worthy causes in this country was somewhere in the neighborhood of \$87 billion last year. It's interesting to note the Gallup Polls have also found that voluntarism to be a particularly American trait, with charitable activity here far outstripping other countries. So, all I can say about those who pontificate about the new selfishness in this country—maybe they should get out of their TV studios and introduce themselves to the real America.

Of course, what a lot of these people mean is not that the American people should give more, but that the Government should take more. Somehow freely given, personal charity doesn't count for them; only the public dole, bureaucratic largess that is backed up by coercive powers of the state. Well, government, of course, has its place, but we've seen in the last two decades that the impersonal giving of government can often do more harm than good, creating a welfare trap from which the poor and under privileged can rarely escape.

The fact is, it's probably more important to give well and wisely than to simply give. And that kind of intelligent giving, thoughtful charity, and volunteer spirit is what you, the recipients of this year's Volunteer Action Awards, so perfectly exemplify. I wish I had time to mention each and every one of the individuals and organizations that are here by name. But let's just say that the good you do reaches beyond your specific projects and all the many people that you've helped. You're part of an Amer-

ican tradition of neighbor helping neighbor; you're keeping it alive and making it grow. Your work touches all of our hearts, embraces all Americans, and draws them into one community of caring. As that same Alexis de Tocqueville said: "These Americans, so generous and always ready to volunteer, are a peculiar people." And we can be awfully proud of that fact.

As you know, this great American spirit has caught the attention of people around the world. In fact, last November the first International Conference on Private Sector Initiatives took place in Paris, France, where leaders of six other countries got together to hear about our success in America. And earlier this month, while I was at the economic summit in Italy—they must have had a terrible spring there, because when we went over in the helicopter, I looked down—all the streets were flooded. [Laughter] I attended there in Venice an Italian-American Conference on Private Sector Initiatives. And as a result of that conference, Italian leaders have formed their own national task force to try to establish programs in their countries like the ones that you've organized here. And it was wonderful. I went to that meeting—I was asked if I would come and address this group a little bit—and I looked out, and I was seeing old familiar faces there, the Americans who had come from here over there to help them as they got this task force established. Incidentally, one of their first projects was there in Venice. They built an American-Italian park, and that's what it's called—the American-Italian Park.

So remember, when you return to your hometowns and you tell your coworkers about this trip, let them know what they're doing is not just making their town a better

place but our nation and the world as a whole.

And now, I'm going to ask Donna Alvarado, the Director of ACTION, and Governor Romney to come up here and assist me in the presentation of your awards.

[At this point, the awards were presented to the recipients.]

Thank you all. God bless you all.

Note: The President spoke at 1:15 p.m. in the State Dining Room at the White House following a luncheon for the award recipients. In his remarks, he referred to George W. Romney, the chairman of the board of VOLUNTEER—The National Center, and Donna Alvarado, the Director of ACTION, the two organizations which sponsored the program. The 1987 award recipients were: George Wager, Anaheim, CA; the Los Angeles/Orange County Corporate Volunteer Council, Los Angeles, CA; the Campus Outreach Opportunity League, Washington, DC; Dr. Robert A. Hingson, Ocilla, GA; Talkline/Kids Line, Inc., Elk Grove, IL; 20 Good Men, Kansas City, KS; Hexagon, Inc., Bethesda, MD; the Fraternity of the Desert Bighorn, Henderson, NV; the Stephanie Joyce Kahn Foundation, Long Beach, NY; the International Brotherhood of Electrical Workers, Local No. 25, Melville, NY; Capital Cities/ABC and the Public Broadcasting Service, New York, NY; Sylvia Lawry, New York, NY; Ruth Johnson Colvin, Syracuse, NY; the North Central Mental Health Services Teen Suicide Prevention Volunteer Program, Columbus, OH; Jack A. Glover, Roseburg, OR; the Ronald McDonald House Volunteers, Media, PA; Exxon Co., U.S.A., Houston, TX; and Shell Oil Co., Houston, TX.

Statement by Assistant to the President for Press Relations Fitzwater on Brazil-United States Computer-Related Trade June 30, 1987

Because of progress by Brazil in its computer-related trade policies, the President has decided to suspend one of two remain-

ing parts of the unfair trade practice case concerning these informatics policies and to continue discussions on the other part.

In the first part of the case, which was brought under section 301 of the Trade Act of 1974, the President has determined that sufficient progress has been made in that portion of the case dealing with copyright protection for computer software. Last week the Brazilian Chamber of Deputies passed legislation that adequately addresses U.S. concerns about software copyright protection. The President believes this represents a good-faith effort by Brazil to solve this part of the case. The President is therefore suspending the software part of the case for now and monitoring it until the copyright bill is enacted into law.

The other remaining unresolved issue in the section 301 case concerned the ability of foreign computer companies to invest in Brazil. The President has determined that the United States will continue discussions

with Brazil in order to achieve improvements in Brazilian investment policies.

In addition, the United States will continue to monitor those parts of the case that were suspended by President Reagan on December 30, 1986. These involve the administrative procedures involved in the informatics law and the scope of the market reserve. The President believes that although U.S. concerns have not been completely satisfied in any single area of the section 301 case, Brazil has made significant improvements since this case was first initiated in September 1985. As a result, the President has determined not to take any remedial action at this time. However, the United States reserves the right to reopen any part of this case if progress does not continue or if any actions are taken that would further impede trade in computer-related products.

Memorandum on Brazil-United States Computer-Related Trade *June 30, 1987*

Memorandum for the United States Trade Representative

Subject: Determination Under Section 301 of the Trade Act of 1974

Pursuant to Section 301 of the Trade Act of 1974, as amended (19 U.S.C. 2411), I have determined to suspend the intellectual property portion of the investigation of the Government of Brazil's acts, policies, and practices with respect to informatics (computer and computer-related) products. Further, I am directing the United States Trade Representative to pursue the investigation of barriers to U.S. investment in the Brazilian informatics sector. The two parts of this investigation that I suspended on December 30, 1986—on Brazilian administrative procedures and "market reserve" practices—shall remain suspended until terminated or reopened based upon developments in those areas.

Reasons for Determination

At my direction, the Trade Representative initiated this investigation in September

1985. Based upon favorable developments regarding Brazil's administrative procedures and "market reserve" practices, I suspended those parts of this investigation on December 30, 1986. I indicated that those parts of the Section 301 investigation could be terminated if the improvements on which the suspension was based were properly implemented and had the expected effect of reducing the burdens or restrictions on U.S. commerce. The Trade Representative will continue to monitor developments in this area, with a view to terminating or reopening these parts of the investigation as appropriate based on developments.

Last December I directed the Trade Representative to continue negotiations with the Government of Brazil to address our concerns regarding Brazilian restrictions on U.S. investment in the informatics sector and the lack of adequate and effective protection for intellectual property, including computer software. Recently the Government of Brazil's lower house passed legisla-

tion that, we believe, would provide adequate copyright protection to computer software. Although enactment of this legislation still requires favorable action by the upper house, progress to date and the likely enactment of legislation adequately protecting computer software from piracy warrants suspension of the intellectual property portion of this investigation. The Trade Representative will continue to monitor developments in this area as well, with a view to terminating or reopening this part of the investigation as appropriate based on developments.

Regarding the Government of Brazil's restrictions on U.S. investment in the informa-

tics sector, we have been asked to judge its performance in this area based upon a favorable "track record" in approving U.S. investment proposals. I am directing the Trade Representative to pursue this part of the Section 301 investigation as appropriate.

This determination shall be published in the *Federal Register*.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:45 a.m., July 1, 1987]

Note: The memorandum was printed in the "Federal Register" of July 2.

Nomination of Roscoe Seldon Suddarth To Be United States Ambassador to Jordan

July 1, 1987

The President today announced his intention to nominate Roscoe Seldon Suddarth, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador of the United States to the Hashemite Kingdom of Jordan. He would succeed Paul H. Boeker.

Mr. Suddarth joined the Foreign Service in 1961 and first served as third secretary at the U.S. Embassy in Bamako, Mali, 1961-1963. From 1963 to 1965, he took Arabic language training at the Foreign Service Institute at the U.S. Embassy in Beirut, Lebanon. From there he was assigned first as second secretary to the U.S. Embassy in Sanaa, Yemen Arab Republic (1965-1967), and then to the U.S. Embassy in Tripoli, Libya (1969-1971). Mr. Suddarth then returned to the Department of State as the Libyan desk officer until 1971, when he took university training at the Massachusetts Institute of Technology in Cambridge,

MA. From 1972 to 1973, he served as politico-military officer in the Bureau of Politico-Military Affairs in the Department of State, to be followed as deputy chief of mission at the U.S. Embassy in Amman, Jordan, 1975-1979. Mr. Suddarth became Executive Assistant to the Under Secretary of State for Political Affairs, 1979-1981. He then participated in the senior seminar for a year before becoming deputy chief of mission at the U.S. Embassy in Riyadh, Saudi Arabia. Since 1985 Mr. Suddarth has been Deputy Assistant Secretary of State for Near Eastern and South Asian Affairs.

Mr. Suddarth graduated from Yale University (B.A., 1956); New College, Oxford University (B.A., M.A., 1958); and the Massachusetts Institute of Technology (M.S., 1972). He is articulate in Arabic, French, and Spanish. Mr. Suddarth served in the U.S. Air Force National Guard, 1958-1961. He is married, has two children, and resides in Bethesda, MD.

Remarks at a White House Briefing on the United Nations International Conference on Drug Abuse and Illicit Trafficking *July 1, 1987*

Good morning to all of you. And thank you, Ed, for that encouraging report. These documents are a testament to the fine work and success of the U.S. delegation. I'm not surprised, however, because our delegation was composed of high-level officials and experts from all relevant agencies of the Federal Government. It also included experts from the State and local governments and the private sector, all of whom are vital to our domestic successes in controlling drug abuse. But the important point is that you've brought home real accomplishments—accomplishments that will make a difference in the years to come.

On behalf of the American people, Nancy and I thank you for your contributions to this battle to save the youth of our country. An effort like this takes a great team, and a great team requires strong leadership. And this delegation is an example of the best in both categories. You had that strong leadership in the Attorney General, who was head of the delegation; in Deputy Secretary of State John Whitehead; and in Ambassador Vernon Walters, our Ambassador to the United Nations. And I'd also like to single out for thanks Ambassador Ann Wroblewski and Ambassador Bruce Chapman, both of whom worked for nearly 2 years on conference preparations, and Dr. Macdonald, head of the White House Drug Abuse Policy Office.

I want to commend you on both your goals and your strategy. You have demonstrated that good planning and strong execution will lead to positive results in U.N. meetings. Dealing with 138 countries at once gives new meaning to the word "complex." Yet your strategies for handling this situation showed the skill and the talent our country can bring to bear when we're fully committed. I understand that Vernon Walters called this perhaps the best U.N. conference he's seen in years—and with reason. This was the first time that the U.N. has held a conference on all aspects of drug

abuse, including not only the problems of the users but drug production and trafficking. And it's important to note that this was a very high-level meeting, attended by representatives of ministerial rank.

But the big news involves these two items: First, there was agreement that drug abuse is a global problem. You see, until this conference, some had argued that drug abuse was only a problem of our wealthier, industrialized nations, like our own. But now there's a widespread understanding that drug abuse affects people around the world and that even in poorer nations drug abuse poses a threat. For this reason, the Declaration of Political Will adopted by the conference confirms the commitment of 138 nations to take action in the fight against drugs. Second, the conference agreed to a long list of concrete, practical steps all countries can take to make a difference. And as part of this effort to be practical—to go beyond discussions to action—negotiations have begun on the drafting of an international convention against drug trafficking, which will be a legally binding document.

To all of you, that's a great deal to be proud of. Now, there's just one more matter that Nancy and I want to thank you for. We're especially pleased that you've brought us these two shirts back from Vienna. And the logo, "Yes to Life and No to Drugs," is a message we've conveyed at home. So now, Nancy and I are proud to join you and the rest of the world: "No to Drugs and Yes to Life."

So, again, thank you all very much. Thank you, and God bless you all. Some fellows bring flowers home to their wives. Not me. *[Laughter]*

Note: The President spoke at 11:56 a.m. in the Indian Treaty Room of the Old Executive Office Building. In his opening remarks, the President referred to Attorney General Edwin Meese III.

Remarks Announcing the Nomination of Robert H. Bork To Be an Associate Justice of the Supreme Court of the United States July 1, 1987

The President. Well, let me announce in advance that I am making a brief announcement here, and then the judge and I are going to depart. And I won't say to you, "No questions." I know better than that, having been in here before. There will be no answers.

Reporter. You'll take lots of questions.

The President. Well, it's with great pleasure and deep respect for his extraordinary abilities that I today announce my intention to nominate United States Court of Appeals Judge Robert H. Bork to be an Associate Justice of the Supreme Court. Judge Bork is recognized as a premier constitutional authority. His outstanding intellect and unrivaled scholarly credentials are reflected in his thoughtful examination of the broad, fundamental legal issues of our times. When confirmed by the Senate as an appellate judge in 1982, the American Bar Association gave him its highest rating: "exceptionally well qualified." On the bench, he has been well prepared, evenhanded, and open-minded.

In taking this action today, I'm mindful of the importance of this nomination. The Supreme Court of the United States is the custodian of our Constitution. Justices of the Supreme Court must not only be jurists of the highest competence; they must be at-

tentive to the specific rights guaranteed in our Constitution and proper role of the courts in our democratic system.

Judge Bork, widely regarded as the most prominent and intellectually powerful advocate of judicial restraint, shares my view that judges' personal preferences and values should not be part of their constitutional interpretations. The guiding principle of judicial restraint recognizes that under the Constitution it is the exclusive province of the legislatures to enact laws and the role of the courts to interpret them. We're fortunate to be able to draw upon such an impressive legal mind, an experienced judge and a man who already has devoted so much of his life to public service. He'll bring credit to the Court and his colleagues, as well as to his country and the Constitution.

Justice Lewis Powell, in announcing his retirement, said the courts should not be hampered by operating at less than full strength. And with this in mind, I urge the Senate to expedite its consideration of Judge Bork so the Court will have nine Justices when its October term begins. And I have every expectation that it will do so.

Note: The President spoke at 2:30 p.m. in the Briefing Room at the White House.

Nomination of Robert H. Bork To Be an Associate Justice of the Supreme Court of the United States July 1, 1987

The President today announced his intention to nominate Judge Robert H. Bork to be Associate Justice of the United States Supreme Court. He would succeed Associate Justice Lewis Powell.

Judge Bork has been sitting on the U.S. Court of Appeals for the District of Columbia Circuit since 1982, when he was named

to that court by President Reagan. Prior to his appointment to the Court of Appeals, Judge Bork was a partner with the law firm of Kirkland & Ellis in Washington, DC. From 1977 to 1985 and from 1962 to 1973, he taught at the Yale Law School, where he was the Alexander M. Bickel professor of public law and the Chancellor Kent profes-

sor of law. From 1973 to 1977, he was Solicitor General of the United States. From 1954 until 1962, Judge Bork practiced law in Chicago, IL, with the firm of Kirkland, Ellis, Hodson, Chaffet & Masters, and in New York City with the firm of Willkie, Owen, Farr, Gallagher & Walton.

Judge Bork received his J.D. from the University of Chicago in 1953. He received his B.A. from the University of Chicago in 1948. Judge Bork is married and has three children. He was born on March 1, 1927, in Pittsburgh, PA.

Nomination of John J. Welch, Jr., To Be an Assistant Secretary of the Air Force

July 1, 1987

The President today announced his intention to nominate John J. Welch, Jr., to be an Assistant Secretary of the Air Force (Acquisition). He would succeed Thomas Edward Cooper.

Since 1975 Mr. Welch has been the senior vice president for program development at the LTV Aerospace and Defense Co. Prior to this, he served as chief scientist for the

U.S. Air Force, 1969–1970, and vice president of the LTV Aerospace and Defense Co., 1970–1975.

Mr. Welch graduated from the Massachusetts Institute of Technology (B.S., 1951). He was born August 23, 1930, in Cambridge, MD. Mr. Welch is married, has four children, and resides in Bethesda, MD.

Appointment of Dean Kleckner as a Member of the Advisory Committee for Trade Negotiations

July 1, 1987

The President today announced his intention to appoint Dean Kleckner to be a member of the Advisory Committee for Trade Negotiations for a term of 2 years. He would succeed Donald E. Petersen.

Since 1986 Mr. Kleckner has been president of the American Farm Bureau Federation. Prior to this he was president of the Iowa Farm Bureau Federation (1975–1986).

Mr. Kleckner was a member on the American Farm Bureau Federation's board of directors (1976–1986) and has served for the last 2 years on its executive committee.

Mr. Kleckner served in the United States Army from 1955 to 1956. He was born October 7, 1932, in Riceville, IA. Mr. Kleckner is married, has five children, and resides in Des Moines, IA.

Designation of James M. Cannon as a Member of the Board of Visitors to the United States Naval Academy

July 1, 1987

The President today announced James M. Cannon to be designated a member of the Board of Visitors to the United States Naval

Academy for the remainder of the term expiring December 30, 1987. He would succeed Edward R. Borchardt, Jr. He will also

be reappointed for a term expiring December 30, 1990.

Mr. Cannon served as a member of Senator Howard Baker's transition team in the White House, March 1987–April 1987. Prior to this, he served as a political consultant, 1985–1987, and chief of staff for the majority leader of the United States Senate,

Howard H. Baker, Jr., 1977–1985.

Mr. Cannon graduated from the University of Alabama (B.S., 1939). He served in the U.S. Army, 1941–1946. Mr. Cannon was born February 26, 1918, in Sylacaga, AL. He is married, has two children, and resides in Washington, DC.

Appointment of Keel Hunt as a Member of the Executive Committee of the National Summit Conference on Education *July 1, 1987*

The President today announced his intention to appoint Keel Hunt to be a member of the Executive Committee of the National Summit Conference on Education. This is a new position.

Since January 1987 Mr. Hunt has been executive vice president of the Nashville Area Chamber of Commerce in Nashville, TN. Prior to this, he was president of McKeel Hunt & Associates, 1986–1987, and

served as special assistant to Gov. Lamar Alexander, 1979–1986.

Mr. Hunt graduated from Middle Tennessee State University (B.A., 1971) and Northwestern University (M.S.J., 1975). He served in the National Guard, 1967–1973. Mr. Hunt was born February 27, 1948, in Nashville, TN. He is married, has two children, and resides in Nashville.

Proclamation 5674—United States-Canada Days of Peace and Friendship, 1987 *July 1, 1987*

By the President of the United States of America

A Proclamation

Canada is the closest friend and ally of the United States. Our countries share not only the world's longest undefended border but also common ideals such as freedom, democracy, human rights, justice, and an ardent desire for a peaceful world.

Other factors bind our countries together as well. The United States and Canada fought side by side against tyranny in two world wars and in other conflicts. Both of our countries have welcomed immigrants from around the globe, and our cultures have been similarly strengthened and enriched thereby. Many cultural and economic exchanges between the United States and

Canada have also fostered our special relationship.

Because Canada celebrates Canada Day on July 1, and the United States celebrates Independence Day on July 4, the two intervening days are a truly appropriate time to commemorate the friendship between our countries.

The Congress of the United States, by Public Law 99-438, has designated July 2 and 3, 1987, as "United States-Canada Days of Peace and Friendship" and authorized and requested the President to issue a proclamation in observance of this event.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim July 2 and 3, 1987, as United States-Canada Days of Peace and Friendship. I call upon the people of the

United States to observe these days with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this first day of July, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 3:19 p.m., July 2, 1987]

Note: The proclamation was released by the Office of the Press Secretary on July 2.

Proclamation 5675—National Literacy Day, 1987 July 2, 1987

*By the President of the United States
of America*

A Proclamation

The ability to read and write is a true blessing and treasure. It enables us not only to discover and learn from the rich legacy of recorded human experience but also to understand and take full part in basic activities essential to daily life. Those who do not have these skills must forego many of life's possibilities, and society loses many of the contributions these people could otherwise make. Every American can be truly grateful to the dedicated citizens among us who give others the beautiful and lasting gift of literacy.

In the years since I created the Adult Literacy Initiative, more and more Americans have decided to help foster reading and writing skills. Volunteers and private-public partnerships do a great deal of good. Nevertheless, studies show that more needs to be done before "functional illiteracy" is a thing of the past, so we must continue our efforts to reach all who lack literacy.

The Congress, by Senate Joint Resolution 117, has designated July 2, 1987, as "National Literacy Day" and has authorized and requested the President to issue a proclamation in observance of this occasion.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim July 2, 1987, as National Literacy Day. I invite the Governors of every State, local officials, and all Americans to observe this day with appropriate ceremonies and activities to increase awareness about illiteracy and to encourage participation in programs to eliminate this problem.

In Witness Whereof, I have hereunto set my hand this second day of July, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:55 a.m., July 6, 1987]

Remarks Announcing America's Economic Bill of Rights July 3, 1987

If you would excuse me for a moment, I see that the uniform of the day has already been decided on. [At this point, the President removed his jacket.] Well, the Vice

President and distinguished guests, members of the administration and members of the team, before starting, I would like to thank Ollie delChamps, chairman of the

U.S. Chamber of Commerce, and the rest of you from the chamber for all your help on this event and all the help you've been over the years.

In 1776 John Adams predicted in a letter to his wife that every year the people of the United States would joyously celebrate their nation's independence with pomp and parade, with shows, games, sports, guns, bells, bonfires, and illuminations, from one end of the continent, he said, to the other. Well, tomorrow on the Fourth, it is easy to predict that the festivities and merriment that Adams foresaw, will be apparent throughout the width and breadth of our country. Many of you may look back, as I do, on the fond memory of last year when together we rededicated our beautiful lady, standing there with torch held high in New York Harbor. One of the opportunities this job affords me, and one for which I am most grateful, is representing you, my fellow countrymen, at such ceremonial events as the rededication of the Statute of Liberty, the marking of the D-day landings in Normandy, and now, this year, the commemoration of the 200th anniversary of the Constitution of the United States—remembrances that have a special place in the hearts of all who love liberty.

It is this love of liberty, at the heart of our national identity, that celebrates our separation [separates our celebration] of independence from those of most other nations. It's what made the struggle of our forefathers, a little over 200 years ago, different from any conflict that has ever happened before. Down through history, there have been many revolutions, but virtually all of them only exchanged one set of rulers for another set of rulers. Ours was the only truly philosophical revolution. It declared that government would have only those powers granted to it by the people.

It was a 33-year-old Thomas Jefferson who penned the words and constructed the phrases that captured the essence of it all. He wrote: "We hold these truths to be self-evident, that all men are created equal; that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness.—That to secure these rights, Governments are instituted among Men,

deriving their just powers from the consent of the governed,—that whenever any Form of Government becomes destructive of these ends, it is the Right of the People to alter or abolish it. . . ." These inspired ideals are written on the walls of this memorial.

It was this revolutionary concept of representative government and individual rights, as well as the cause of national independence, to which the Declaration's signers pledged their lives, fortunes, and sacred honor. Each generation has done the same, and tomorrow we'll make that pledge again. Let no one charge, however, that ours is blind nationalism. We do not hide our shortcomings. Yes, we have our imperfections, but there are no people on this planet who have more reason to hold their heads high than do the citizens of the United States of America.

Our countrymen have the courage of conviction and an uncommon commitment to truth and justice; we as a people will not bow before dictator or king, but we kneel in prayer and gratefully acknowledge, as Jefferson so eloquently stated, that the God who gave us life also gave us liberty. Our society reflects decent and humane values that were passed to us by the settlers of a new land; Americans can be counted on to be generous—it's our way. We know these things, and we also know the United States of America remains the greatest force for human freedom on this planet, and we're darn proud of it.

We're still Jefferson's children, still believers that freedom is the unalienable right of all of God's children. It's so precious, yet freedom is not something that can be touched, heard, seen, or smelled. It surrounds us, and if it were not present, as accustomed to it as we are, we would be alarmed, overwhelmed by outrage, or perhaps struck by a sense of being smothered. The air we breathe is also invisible and taken for granted, yet if it is denied even for a few seconds, we realize instantly how much it means to us. Well, so, too, with freedom.

Freedom is not created by government, nor is it a gift from those in political power. It is, in fact, secured, more than anything

else, by those limitations I mentioned that are placed on those in government. It is absence of the government censor in our newspapers and broadcast stations and universities. It is the lack of fear by those who gather in religious services. It is the absence of official abuse of those who speak up against the policies of their government.

I'm a collector of stories that I can establish are told in the Soviet Union among their own people, showing something of their feeling about their situation. And one of these that I heard recently was an argument between an American and a Soviet citizen. And the American had said how he could stand down on a corner and shout right out to everybody his criticism of the Government. And the Soviet citizen said, "I can do that, too." He said, "The only difference between us is you will still be free after you've done it." [*Laughter*]

Jefferson so fervently believed that limited government was vital to the preservation of liberty that he used his influence to see to it that the Constitution included a Bill of Rights, 10 amendments that spelled out specific governmental limitations. "Congress shall make no law," the first amendment begins. And thus, the basic law of our land was meticulously constructed to limit government and, in doing so, secure the political rights of the freedom [people].

Inextricably linked to these political freedoms are protections for the economic freedoms envisioned by those Americans who went before us. While the Constitution sets our political freedoms in greater detail, these economic freedoms are part and parcel of it. During this bicentennial year, we have the opportunity to recognize anew the economic freedoms of our people and, with the Founding Fathers, declare them as sacred and sacrosanct as the political freedoms of speech, press, religion, and assembly. There are four essential economic freedoms. They are what links life inseparably to liberty, what enables an individual to control his own destiny, what makes self-government and personal independence part of the American experience.

First is the freedom to work—to pursue one's livelihood in one's own way, to choose where one will locate and what one will do to sustain individual and family needs and

desires. I recently heard a statement by a eminent scholar in our land who visited the Soviet Union recently. He is fluent in the Russian language. But on his way to the airport here, he recognized the youth of the cabdriver and got into conversation, found out he was working his way through college, and he asked him what he intended to be. And the young man said, "I haven't decided yet." Well, by coincidence, when he got to the Soviet Union and got in a cab, he had an equally young cabdriver. And speaking Russian, he got in conversation with him and asked the same question, finally, about the young man, what did he intend to be? And the young man said, "They haven't told me yet." [*Laughter*]

Well, second of those freedoms is the freedom to enjoy the fruits of one's labor—to keep for oneself and one's family the profit or gain earned by honest effort.

Third is the freedom to own and control one's property—to trade or exchange it and not to have it taken through threat or coercion.

Fourth is the freedom to participate in a free market—to contract freely for goods and services and to achieve one's full potential without government limits on opportunity, economic independence, and growth.

Just as Jefferson understood that our political freedoms needed protection by and from government, our economic freedoms need similar recognition and protection. Those who attain political power must know that there are limits beyond which they will not be permitted to go, because beyond that point their intrusion is destructive of the economic freedom of the people. We must insist, for example, that there be a limit to the level of taxation, not only because excessive taxation undermines the strength of the economy but because taxation beyond a certain level becomes servitude. And in America, it is the Government that works for the people and not the other way around.

Now, in the same vein, regulation of an individual's business or property can reach a degree when ownership is nullified and the value is taken. Our administration has argued in the courts that if the Government takes private property through regulation,

the “just compensation” clause of the Constitution requires that the owner must be duly paid. There’s nothing more encouraging to those who believe in economic freedom than last month’s Supreme Court decisions which reaffirm this fundamental guarantee. Property rights are central to liberty and should never be trampled upon.

The working people need to know their jobs, take-home pay, homes, and pensions are not vulnerable to the threat of a grandiose, inefficient, and overbearing government—something Jefferson warned us about 200 years ago. It’s time to finish the job Jefferson began and to protect our people and their livelihoods with restrictions on government that will ensure the fundamental economic freedom of the people—the equivalent of an Economic Bill of Rights. I’m certain if Thomas Jefferson were here, he’d be one of the most articulate and aggressive champions of this cause. The reason I’m certain is that in 1798 he wrote: “I wish it were possible to obtain a single amendment to our Constitution. I would be willing to depend on that alone for the reduction of the administration of our government to the genuine principles of its Constitution; I mean an additional article taking from the Federal Government the power of borrowing.”

The centerpiece of the Economic Bill of Rights, the policy initiative we launch today, is a long-overdue constitutional amendment to require the Federal Government to do what every family in America must do, and that is live within its means and balance its budget. I will again ask Congress to submit a balanced budget amendment to the States. And if the Congress will not act, I’ll have no choice but to take my case directly to the States.

The package of fundamental reforms we propose will go a long way to secure the blessings of liberty. Taxation, for example, is more than mathematical calculations. It is the harnessing of free people; it is forced labor; and if it goes beyond reasonable bounds, it is a yoke of oppression. Raising taxes, then, should be serious business. It should not be done without a broad national consensus. We propose that every American’s paycheck be protected—as part of a balanced budget amendment—by requiring

that tax increases must be passed by both Houses of Congress by more than a mere majority of their Members.

Our forefathers fought for personal and national independence, yet 200 years later, our own overly centralized government poses a threat to our liberty far beyond anything imagined by the patriots of old. We offer two approaches to turning the situation around, both encompassed in our proposals. One is to reduce the size and scope of the Federal Government. This is an ongoing battle. We will be relentless in steadily reducing spending until a balanced budget is achieved.

But also, as part of our initiative, we propose to prune judiciously from the Government that which goes beyond the proper realm of the state. I will, by Executive order, establish a bipartisan Presidential commission on privatization to determine what Federal assets and activities can and should be returned to the citizenry. At the same time, I will order the executive branch to find additional ways for contracting outside of government to perform those tasks that belong in the private economy.

We must also reexamine existing Federal policies to ensure that they help, not hinder, all Americans to participate fully in the opportunities of our free economy. We need to replace a welfare system that destroys economic independence and the family with one that creates incentives for recipients to move up and out of dependency.

Now, the second thrust is structural and procedural reform. We propose changes that will ensure truth in spending by requiring every new program to meet this test: If congressional passage of a new program will require increased spending, it must be paid for at the same time, either with offsetting reductions in other programs or new revenues. Citizens of this country, as well as State and local governments, also have a right to be fully informed as to what Federal legislation will do to them, what costs will be required for fulfilling the will of Congress. Full disclosure of such costs up front may well temper the desire to overregulate and overlegislate.

Reform must go to the heart of the prob-

lem. The integrity of the decisionmaking process as envisioned by our Founding Fathers has broken down and is in drastic need of repair. The veto power of the President, for example, is no longer the potent force for fiscal responsibility as set down in the Constitution. This was clear last year when all government appropriations were thrown into one gigantic, catchall resolution. And for me, it was a take-it-or-leave-it, all-or-nothing choice—doing damage to long-respected constitutional checks and balances. The first step in reestablishing these checks and balances is giving the President the authority to cut out the fat, yet leave the meat, of legislation that gets to his desk. And the President deserves the same tool for budgetary responsibility that is now in the hands of 43 Governors, a tool I used effectively as Governor of California—the line-item veto.

Today we begin a drive to protect economic freedom in the United States. We commit ourselves to do our utmost to bring about fundamental reform, reform that will ensure the liberty we hold so dear. Standing here, with Jefferson looking over my shoulder, looking out at the Lincoln and the Washington Memorials and the White House straight ahead and, in the distance, the Capitol, one can't but appreciate that all freedom is mutually reinforcing. Perhaps a more specific delineation of economic freedom was always needed, but today it's imperative. Our citizens were always skeptical of government. Jefferson looked at Congress and noted that no one should have expected 150 lawyers to do business anyway. *[Laughter]* My apologies to lawyers present. But the Federal Government's role was severely limited; the future was in the hands of the people, not the Government. And that's the way our forebears wanted it.

Jefferson, in his first inaugural, spoke for his countrymen when he said: "A wise and frugal government, which shall restrain men from injuring one another, which shall leave them otherwise free to regulate their own pursuits of industry and improvement, shall not take from the mouth of labor the bread it has earned. This," he said, "is the sum of good government." Well, that vision of America still guides our thinking, still represents our ideals.

What we begin today is not a maneuver or an attempt to achieve short-term goals with lofty pronouncements. Our proposals are consistent with what we've been doing; in fact, they'll help secure the progress that we've made. They're basic to the philosophy that brought me into public life, and for the rest of my public life, I'll pursue the goals we've set forth in this Economic Bill of Rights.

Our specific proposals, 10 in all, will go a long way toward putting economic freedom under the protection of the law. And even if we achieve what we've set out to do in bits and pieces, rather than in one fell swoop—as happened with the Bill of Rights to the Constitution—each victory will make freedom more secure. Ours is a vision of limited government and unlimited opportunity, of growth and progress beyond what any can see today. A saying in colonial times suggested there are two ways to get to the top of an oak tree, where the view is much better. One is to climb; the other is to find an acorn and sit on it. *[Laughter]* Well, I didn't come to Washington to sit on acorns. *[Laughter]* It's time to roll up our sleeves and start climbing.

I see many familiar faces here, and I want to thank you all for all you've done in these last 6½ years. Together, we've climbed some mighty oaks. We've worked, sweated, and strained to carry our cause to new heights, helping each other along the way, ever faithful to our principles. I'll always remember and be grateful to you.

In the early days of the American Revolution, no two individuals worked more diligently together than did Thomas Jefferson and John Adams. Yet once our country attained its independence and once partisan politics set in—and it set in early—they drifted apart; in fact, they became bitter political enemies. Last Fourth of July, I related the story of how those two old gentlemen, heroes both, rekindled their friendship in their twilight years, corresponding regularly, writing affectionately of the many memories they shared, and, yes, discussing their beliefs and values. Both of these men, giants to us but mortal to be sure, died within hours of each other. It was July 4th, exactly 50 years from the date of the Decla-

ration of Independence. It's reported that John Adams' last words were, "Thomas Jefferson survives." History tells us, however, that Jefferson had died shortly before John Adams passed away.

But Adams was right. All of us stand in tribute to the truth of those words. We proclaim it again and again with our dedication to keeping this a land of liberty and justice for all, and through our deeds and actions,

to ensure that this country remains a bastion of freedom, the last best hope for mankind. As long as a love of liberty is emblazoned on our hearts, Jefferson lives.

Thank you all. God bless you all.

Note: The President spoke at 10:06 a.m. at an Independence Day celebration at the Jefferson Memorial.

America's Economic Bill of Rights July 3, 1987

Preamble

The Founding Fathers of our country knew that without economic freedom there can be no political freedom. Their rallying cry of "No taxation without representation" reflects that fundamental precept. They knew that the right to earn your own keep and keep what you earn is central to America's understanding of what it means to be free. This country was built by people seeking to support themselves and their families by their own labor, people who treasured the right to work and dispose of their earnings as they saw fit, people who were willing to take economic risks.

Over the past 40 years, however, the growth of government has left our citizens with less control over their economic lives. What America needs now is an Economic Bill of Rights that guarantees four fundamental freedoms:

- The freedom to work.
- The freedom to enjoy the fruits of one's labor.
- The freedom to own and control one's property.
- The freedom to participate in a free market.

To secure these freedoms, I propose the following initiatives:

The Freedom to Work: You have the right to pursue your livelihood in your own way, free from excessive government regulation and subsidized government competition.

1. To reduce subsidized government com-

petition with private citizens, I will establish a bipartisan Presidential Commission on Privatization to identify government programs and activities that can be accomplished more effectively in the private sector. I will also instruct the executive branch to find additional ways for contracting outside the government to perform those tasks that belong in the private sector. As to those activities that should properly remain in the government, I have asked the President's Council on Management Improvement to accelerate its productivity improvement program by 1 year and to adopt private sector practices where they would promote efficiency.

2. To reduce the burden of government regulation, I have reconstituted the Task Force on Regulatory Relief, chaired by the Vice President, to root out unnecessary restrictions on the individual's pursuit of a livelihood.

The Freedom to Enjoy the Fruits of Your Labor: You have the right to keep what you earn, free from excessive government taxing, spending, and borrowing.

3. To protect you from overborrowing by the government, I will ask the Congress to adopt a balanced budget amendment, a line item veto, and legislative changes that will restore integrity to the congressional budget process.

4. To protect you from overtaxing by the Government, I will propose as part of the balanced budget amendment submitted to

Congress, a requirement for a supermajority vote by Congress before your taxes can be raised. This reform will help make permanent our recent progress in lowering your tax rates, broadening the tax base to ensure fairness, and indexing rates so that inflation cannot push taxes back up.

5. To protect you from excess spending by the Federal Government, I will propose Truth in Federal Spending legislation that will:

A. Require that every new program established by legislation increasing Federal spending be deficit-neutral by including equal amounts of offsets.

B. Require that every piece of legislation mandating an increase in private sector costs or imposing new regulations include a financial impact statement detailing:

- The impact on private costs;
- The impact on prices for the consumer;
- The effect on employment;
- The impact on the ability of U.S. industries to compete internationally.

C. Require that every piece of legislation forcing increased expenditures by State and local governments include an assessment of the spending impact, the likely source of funding, and the ability of these governments to fulfill the mandates of the legislation.

The Freedom to Own and Control Your Property: You have the right to keep and use your property, free from government control through coercive or confiscatory regulation.

6. To protect your right to own and use your property, my administration will pursue our successful efforts in the courts to restore your constitutional rights when the government at any level attempts to take your property through regulation or other means.

7. To protect intellectual property and to encourage creativity, I will urge that the Congress act on my proposals to provide adequate domestic and international protec-

tion to Americans who create new ideas and invent new goods and services.

Freedom to Participate in a Free Market: You have the right to contract freely for goods and services and to achieve your full potential without government limits on opportunity, economic independence, and growth.

8. To reform the present welfare system that promotes dependency and destroys families and communities, I have proposed a welfare reform initiative that will lift the least fortunate among us up from dependency by creating incentives for recipients to become independent of welfare as full participants in the American economy.

9. To prepare our youth for participation in today's economy, I will ask the Congress and the States to enact proposals that will protect the rights of parents to guide their children and select from a broad array of educational options that emphasize excellence, character, and values. I will also promote programs to assist problem students to complete their education and to encourage dropouts to return to school.

10. To arm American workers and businessmen for full participation in an increasingly complex world economy, I will press for the Congress to act on my trade, employment, and productivity proposals to:

- Increase job retraining and other initiatives which improve opportunity for the American worker.
- Encourage science and technology by increasing support for basic research and development.
- Enact antitrust, product liability, foreign corrupt practices, and other regulatory reforms that place American enterprise on a level playing field with foreign competitors.
- Improve America's ability to secure free and fair trade without resorting to protectionist measures that destroy jobs and harm the consumer.

Appendix A—Digest of Other White House Announcements

The following list includes the President's public schedule and other items of general interest announced by the Office of the Press Secretary and not included elsewhere in this book.

January 2

The President and Mrs. Reagan left the home of Walter and Lenore Annenberg in Palm Springs, CA, and returned to Washington, DC.

January 4

In the morning, the President went to Bethesda Naval Hospital for a routine postoperative examination, 18 months after his operation for colon cancer, and for prostate surgery. As a part of his regular examination, he underwent a cardiovascular examination, including a stress test, followed by pulmonary function tests and chest x rays. The results of these tests were in the normal range.

In the afternoon, the President underwent a colonoscopic examination. Four small, scattered, benign polyps were found and removed. The polyps were similar to those found during previous examinations and showed no evidence of a recurrence of cancer.

January 5

In the morning, the President underwent a transurethral resection of the prostate with a low-level spinal anesthetic at Bethesda Naval Hospital.

In the afternoon, the President met in his hospital suite with Donald T. Regan, Assistant to the President and Chief of Staff, to discuss the Federal budget.

January 6

The White House announced that the President was recovering well from the previous day's surgery at Bethesda Naval Hospital. His vital signs were in the normal range and were stable. There was no evidence of postoperative infection. Final laboratory results on the tissue removed during the transurethral resection of the prostate showed the tissue was benign.

In the morning, the President met in his hospital suite with Donald T. Regan, Assistant to the President and Chief of Staff, and Frank C. Carlucci, Assistant to the President for National Security Affairs, to discuss domestic and foreign policy issues.

In the afternoon, the President telephoned Senators Robert C. Byrd of West Virginia and Robert Dole of Kansas and Representatives Jim Wright of Texas, Thomas S. Foley of Washington, and Robert H. Michel of Illinois to congratulate them on their election to leadership positions in the 100th Congress. Later the President met in his hospital suite with the Vice President.

In the evening, the President underwent a CAT scan, the results of which showed no abnormalities or disease. Post-operative blood tests and vital signs were in the normal range.

January 7

In the afternoon, the President met in his suite at Bethesda Naval Hospital with Donald T. Regan, Assistant to the President and Chief of Staff, and Frank C. Carlucci, Assistant to the President for National Security Affairs.

Later in the afternoon, the President and Mrs. Reagan visited Petty Officer Michael K. Ryan, USN, a patient at the hospital. Petty Officer Ryan participated in a reenlistment ceremony attended by the President and Mrs. Reagan on the U.S.S. *John F. Kennedy* on July 4, 1986.

The President was visited in his hospital suite by his daughter Maureen.

January 8

In the morning, the President left Bethesda Naval Hospital and returned to the White House.

In the afternoon, he met in the Residence with Donald T. Regan, Assistant to the President and Chief of Staff.

January 9

The President met in the Residence with Donald T. Regan, Assistant to the President and Chief of Staff, and Frank C. Carlucci, Assistant to the President for National Security Affairs.

The White House announced that the President has invited Prime Minister Yitzhak Shamir of Israel to make an official working visit to the United States. Prime Minister Shamir has accepted the invitation and will meet with the President at the White House on February 18.

January 12

The President met at the White House with: —the Vice President; Donald T. Regan, Assistant to the President and Chief of Staff; and Frank C. Carlucci, Assistant to the President for National Security Affairs;

Appendix A / Administration of Ronald Reagan, 1987

—David M. Abshire, Special Counsellor to the President, to discuss the Iran arms and *contra* aid controversy.

The President telephoned Anne Brusselmans, who was awarded the Medal of Freedom for helping downed U.S. and Allied fliers escape Nazi-occupied Belgium during World War II. The President thanked Mrs. Brusselmans for her heroic efforts during the war and told her that he had taken action to assure that she would be granted the permanent resident status that she had been seeking.

January 13

The President met at the White House with:

- the Vice President; Donald T. Regan, Assistant to the President and Chief of Staff; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
- the Cabinet, to review the activities of the Domestic Policy Council and the Economic Policy Council and to discuss foreign policy.

January 14

The President met at the White House with the Vice President; Donald T. Regan, Assistant to the President and Chief of Staff; and Frank C. Carlucci, Assistant to the President for National Security Affairs.

January 15

The President met at the White House with the Vice President; Donald T. Regan, Assistant to the President and Chief of Staff; and Frank C. Carlucci, Assistant to the President for National Security Affairs.

January 16

The President met at the White House with the Vice President; Donald T. Regan, Assistant to the President and Chief of Staff; and Frank C. Carlucci, Assistant to the President for National Security Affairs.

In the afternoon, the President left the White House for a weekend stay at Camp David, MD.

January 19

The President returned to the White House from a weekend stay at Camp David, MD.

January 20

The President met at the White House with the Vice President and members of the White House staff.

The President transmitted to the Congress the 14th annual report on Federal advisory committees, covering fiscal year 1985.

January 21

The President met at the White House with:

—Donald T. Regan, Assistant to the President and Chief of Staff; and Frank C. Carlucci, Assistant to the President for National Security Affairs;

—Secretary of Defense Caspar W. Weinberger;

—David M. Abshire, Special Counsellor to the President, to discuss the Iran arms and *contra* aid controversy.

The President transmitted to the Congress:

- the report on the activities of the U.S. Government in the United Nations and its affiliated agencies during calendar year 1985;
- the seventh annual report of the Federal Labor Relations Authority, covering fiscal year 1985.

January 22

The President met at the White House with the Vice President; Donald T. Regan, Assistant to the President and Chief of Staff; and Frank C. Carlucci, Assistant to the President for National Security Affairs.

The President announced the appointment of Barry Goldwater, of Arizona, to be a member of the Board of Visitors to the United States Air Force Academy for the remainder of the term expiring December 30, 1988. He would succeed Julian Martin Niemczyk.

January 23

The President met at the White House with the Vice President; Donald T. Regan, Assistant to the President and Chief of Staff; and Frank C. Carlucci, Assistant to the President for National Security Affairs.

In the afternoon, the President left the White House for a weekend stay at Camp David, MD.

January 25

The President returned to the White House from a weekend stay at Camp David, MD.

January 26

The President met at the White House with:

—the Vice President; Donald T. Regan, Assistant to the President and Chief of Staff; and Frank C. Carlucci, Assistant to the President for National Security Affairs;

—members of the Special Review Board for the National Security Council, to discuss the development and implementation of U.S. foreign policy and the Iran arms and *contra* aid controversy;

—the Vice President; James A. Baker III, Secretary of the Treasury; James C. Miller III, Director of the Office of Management and Budget; Donald T. Regan, Assistant to the President and Chief of Staff; and Beryl W. Sprinkel, Chairman of the Council of Eco-

conomic Advisers, for a briefing on the economy.

January 27

The President met at the White House with:

- the Vice President; Donald T. Regan, Assistant to the President and Chief of Staff; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
- the Republican congressional leadership, to discuss the State of the Union Address.

January 28

The President met at the White House with:

- the Vice President; Donald T. Regan, Assistant to the President and Chief of Staff; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
- Secretary of State George P. Shultz.

The President transmitted to the Congress:

- the fifth annual report of the Tourism Policy Council, which covered fiscal year 1986;
- the first annual report on the national security strategy of the United States.

January 29

The President met at the White House with:

- the Vice President; Donald T. Regan, Assistant to the President and Chief of Staff; and Colin L. Powell, Deputy Assistant to the President for National Security Affairs;
- the congressional leadership, to discuss the 1987 legislative program he submitted to Congress;
- the Domestic Policy Council, to discuss funding for the supercollider;
- the Vice President.

The White House announced that the President has invited Prime Minister Jacques Chirac of France to make an official visit to the United States. Prime Minister Chirac has accepted the invitation and will meet with the President at the White House on March 31.

January 30

The President met at the White House with:

- members of the White House staff;
- Secretary of State George P. Shultz.

February 2

The President met at the White House with:

- the Vice President; Donald T. Regan, Assistant to the President and Chief of Staff; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
- Italian Foreign Minister Giulio Andreotti, to discuss the upcoming economic summit in Venice, trade issues, and the prospects for arms control and East-West scientific cooperation.

February 3

The President met at the White House with:

- members of the White House staff;
- the Republican congressional leadership, to discuss the fiscal year 1988 budget and its impact on foreign policy and national defense and to review the recent trip to Central America by Frank C. Carlucci, Assistant to the President for National Security Affairs;
- the Domestic Policy Council, to discuss catastrophic illness health insurance.

The President declared that a disaster exists in the Federated States of Micronesia as a result of Typhoon Orchid, which caused extensive property damage.

The President accorded the personal rank of Ambassador to Leonard H. Marks in his capacity as Chairman of the U.S. delegation to the World Administrative Radio Conference in High Frequency Broadcasting to be held in Geneva, Switzerland, February 2 to March 8.

The President announced his intention to nominate Patricia Hill Williams to be a member of the National Advisory Council on Women's Educational Programs for the remainder of the term expiring May 8, 1987, where she would succeed Elizabeth Helms Adams, and for a term expiring May 8, 1990. This is a reappointment.

February 4

The President met at the White House with:

- the Vice President; Donald T. Regan, Assistant to the President and Chief of Staff; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
- Senators James A. McClure of Idaho and Mark O. Hatfield of Oregon, to discuss the refugee situation in Southeast Asia;
- Secretary of State George P. Shultz.

February 5

The President met at the White House with:

- Prime Minister Turgut Özal of Turkey;
- the Vice President, for lunch.

February 6

The President met at the White House with:

- the Vice President; Donald T. Regan, Assistant to the President and Chief of Staff; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
- David M. Abshire, Special Counsellor to the President, to discuss the Iran arms and *contra* aid controversy;
- Secretary of State George P. Shultz.

The President sent to the Congress requests for fiscal year 1987 supplemental appropriation language for the Departments of Defense-Military, Health and Human Services, Transportation, and Treasury. The requested language for the De-

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partment of Defense-Military would remove unnecessary congressional restrictions on Presidential authority concerning strategic programs.

February 9

The President met at the White House with:
—the Vice President; Donald T. Regan, Assistant to the President and Chief of Staff; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
—representatives of the Boy Scouts of America, to present their annual report;
—Secretary of Defense Caspar W. Weinberger.
The President transmitted to the Congress the fifth annual report on Alaska's mineral resources, which covered 1986.

February 10

The President met at the White House with:
—the Vice President; Donald T. Regan, Assistant to the President and Chief of Staff; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
—Peter J. Wallison, Counsel to the President, and David M. Abshire, Special Counsellor to the President to discuss the President's upcoming meeting with the Special Review Board for the National Security Council.

In an Oval Office ceremony, the President received diplomatic credentials from Ambassadors Marcilio Marques Moreira of Brazil, Eduardo A. Leon of the Dominican Republic, Guido Fernandez Saborio of Costa Rica, Alfred J. Falzon of Malta, Oscar Padilla-Vidaurre of Guatemala, and Ernesto Rivas-Gallont of El Salvador.

February 11

The President met at the White House with:
—the Vice President; Donald T. Regan, Assistant to the President and Chief of Staff; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
—the President's Special Review Board for the National Security Council, to review the National Security Council process, the development and execution of the Iran policy, and the President's role;
—Secretary of State George P. Shultz.

The White House announced that at the invitation of Governor General Jeanne Sauvé of Canada, the President will pay an official visit to Ottawa on April 5-6. This will be the President's fourth bilateral meeting with Prime Minister Brian Mulroney.

February 12

The President met at the White House with the Vice President; Donald T. Regan, Assistant to the President and Chief of Staff; and Frank C. Carlucci, Assistant to the President for National Security Affairs.

In the evening, the President went to the National Building Museum to attend the Republican Eagles dinner.

February 13

The President met at the White House with:
—the Vice President; Donald T. Regan, Assistant to the President and Chief of Staff; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
—welfare reform experts;
—the Vice President, for lunch;
—Secretary of State George P. Shultz.

In the afternoon, the President left the White House for a weekend stay at Camp David, MD.

February 16

The President returned to the White House from a weekend stay at Camp David, MD.

February 17

The President met at the White House with:
—the Vice President; Donald T. Regan, Assistant to the President and Chief of Staff; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
—business leaders, to outline the proposed competitiveness initiative.

February 18

The President met at the White House with:
—the bipartisan congressional leadership, to outline the proposed competitiveness initiative;
—the Vice President; Donald T. Regan, Assistant to the President and Chief of Staff; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
—Secretary of State George P. Shultz.

The President transmitted to the Congress the 16th annual report on hazardous materials transportation, which covered calendar year 1985.

The President transmitted to the Committee on Foreign Relations, the Select Committee on Intelligence of the Senate, the Committee on Foreign Affairs, and the Permanent Select Committee on Intelligence of the House of Representatives a classified report required by section 601 of the Intelligence Authorization Act for Fiscal Year 1985 (Public Law 98-618) on reciprocity and equivalence of foreign governments that engage in intelligence activities within the United States harmful to U.S. national security.

February 19

The President met at the White House with:
—the Vice President; Donald T. Regan, Assistant to the President and Chief of Staff; and Frank C. Carlucci, Assistant to the President for National Security Affairs;

- Members of Congress and Polish-American leaders, to discuss the sanctions against Poland;
- the Vice President, for lunch;
- the March of Dimes Poster children.

The President transmitted to the Congress the annual report of the Department of Education, which covered fiscal year 1986.

February 20

The President met at the White House with the Vice President; Donald T. Regan, Assistant to the President and Chief of Staff; and Frank C. Carlucci, Assistant to the President for National Security Affairs.

In the afternoon, the President left the White House for a weekend stay at Camp David, MD.

February 22

The President returned to the White House from a weekend stay at Camp David, MD.

February 23

- The President met at the White House with:
- the Vice President; Donald T. Regan, Assistant to the President and Chief of Staff; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
 - Italian Defense Minister Giovanni Spadolini, to discuss arms control, counterterrorism cooperation, and the Middle East;
 - members of the White House staff.

In the afternoon, the President presented representatives of the United States Military Academy with the Commander in Chief Award in the Cabinet Room at the White House, in recognition of the Academy's football record.

February 24

- The President met at the White House with:
- the Vice President; Donald T. Regan, Assistant to the President and Chief of Staff; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
 - a bipartisan group of Members of the House of Representatives, to discuss the competitiveness initiative;
 - former United Nations Ambassador Jeane J. Kirkpatrick, to discuss her recent trip to the Soviet Union.

February 25

- The President met at the White House with:
- the Vice President; Donald T. Regan, Assistant to the President and Chief of Staff; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
 - a bipartisan group of Senators, to discuss the competitiveness initiative;
 - Jesse Jackson, to discuss education, support for black colleges, and drug abuse;

- Secretary of State George P. Shultz.

February 26

- The President met at the White House with:
- the Vice President; Donald T. Regan, Assistant to the President and Chief of Staff; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
 - members of the President's Special Review Board for the National Security Council, to receive the Board's final report;
 - the Vice President, for lunch.

In the afternoon, the President telephoned Members of Congress to discuss the findings of the President's Special Review Board for the National Security Council and the Iran arms and *contra* aid controversy.

February 27

- The President met at the White House with:
- the Vice President; Donald T. Regan, Assistant to the President and Chief of Staff; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
 - Senators Robert Dole of Kansas and Alan K. Simpson of Wyoming and Representatives Robert H. Michel of Illinois and Dick Cheney of Wyoming, to discuss the findings of the President's Special Review Board for the National Security Council and the Iran arms and *contra* aid controversy;
 - State legislators.

March 2

- The President met at the White House with:
- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
 - the Cabinet, to discuss the report of the President's Special Review Board for the National Security Council;
 - members of the White House staff;
 - a group of Republican mayors, to discuss American competitiveness, welfare reform, and catastrophic illness insurance coverage.

The White House announced that President Reagan has invited President Daniel T. arap Moi of Kenya to make an official working visit to the United States. President Moi has accepted the invitation and will meet with President Reagan at the White House on March 12.

March 3

- The President met at the White House with:
- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;

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—the National Security Council staff, to discuss the political situation in southern Africa and National Security Council operational guidelines in light of recommendations set out in the report of the President's Special Review Board for the National Security Council.

In the afternoon, the President taped messages for the National Committee for Adoption, the Rockford Institute, the National Association of Evangelicals, the American National Red Cross, and the Pat O'Brien tribute dinner.

In the evening, the President and Mrs. Reagan hosted a dinner in the Residence at the White House for newly elected Members of Congress.

March 4

The President met at the White House with:

- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
- the Governing Mayor of West Berlin, Eberhard Diepgen.

The President transmitted a report to the Speaker of the House of Representatives and the chairman of the Senate Foreign Relations Committee concerning the late transmittals of certain international agreements.

March 5

The President met at the White House with:

- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
- the Senate Steering Committee, to discuss the administration's legislative agenda.

The President sent to the Congress a request for fiscal year 1987 supplemental appropriations in the amount of \$8.6 million for the Board for International Radio Broadcasting. The increase would enable the Board to continue its overseas broadcasting operations in the face of the continuing decline in the value of the dollar. The President also sent to the Congress appropriation language for the Department of Health and Human Services that would provide for the cost of the January 1, 1987, Federal pay raise for the Social Security Administration, language that would provide additional funding for the railroad safety programs of the Department of Transportation, and language that would provide funds to cover the administrative cost of closing down operations of the Appalachian Regional Commission. Also included in this transmittal are appropriations requests totaling \$5.4 million fiscal year 1987 and \$11 million in fiscal year 1988 for the legislative branch and the judiciary.

The President declared that a major disaster existed in Mississippi as a result of severe storms,

tornadoes, and flooding that occurred in late February, which caused extensive property damage. He directed the Federal Emergency Management Agency to provide assistance.

March 6

The President met at the White House with:

- Howard H. Baker, Jr., Chief of Staff to the President, and Frank C. Carlucci, Assistant to the President for National Security Affairs;
- Ambassadors Max M. Kampelman, Ronald F. Lehman II, and Maynard W. Glitman to discuss proposed intermediate-range nuclear forces reductions;
- members of the White House staff.

In the afternoon, the President left the White House for a weekend stay at Camp David, MD.

March 7

The White House announced that the President designated Secretary of Agriculture Richard Lyng to represent him at the memorial service for Senator Edward Zorinsky of Nebraska.

March 8

The President returned to the White House from a weekend stay at Camp David, MD.

March 9

The President met at the White House with:

- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
- Secretary of State George P. Shultz, to discuss the Secretary's visit to China, Japan, and Korea, and the preparations for his upcoming meetings in the Soviet Union;
- the executive committee of the Republican National Committee, for lunch;
- administration officials, to discuss legislative strategy for various bills under consideration by the Congress;
- Secretary of Defense Caspar W. Weinberger.

March 10

The President met at the White House with:

- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
- the Republican congressional leadership, to discuss the Federal budget for fiscal year 1988, deficit reduction, taxes, and the proposed moratorium on funding for the Nicaraguan democratic resistance;
- the Vice President, for lunch;
- the Domestic Policy Council.

March 11

- The President met at the White House with:
- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
 - the congressional leadership;
 - Secretary of State George P. Shultz.

March 12

- The President met at the White House with:
- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
 - members of the President's Foreign Intelligence Advisory Board.

The President sent to the Congress amendments to the request for appropriations for fiscal year 1988 totaling \$8.9 billion. These amendments, along with the accompanying proposed legislation, are necessary to reform the budgetary treatment and financing of Federal credit programs. These reforms are included in the fiscal year 1988 budget.

March 13

- The President met at the White House with:
- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
 - Secretary of State George P. Shultz;
 - Senator David K. Karnes of Nebraska, who was appointed to complete the term of the late Senator Edward Zorinsky.

In the afternoon, the President left the White House for a weekend stay at Camp David, MD.

March 15

The President returned to the White House from a weekend stay at Camp David, MD.

March 16

- The President met at the White House with:
- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
 - members of the White House staff;
 - Sandy Honbaier, Miss Wheelchair America;
 - Lynda Michael, Miss National Teenager.

March 17

- The President met at the White House with:
- Howard H. Baker, Jr., Chief of Staff to the President, and Frank C. Carlucci, Assistant to the President for National Security Affairs;
 - Senator Larry Pressler of South Dakota.

March 18

- The President met at the White House with:
- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
 - Members of the Senate, to discuss Central American policy and the upcoming vote on the moratorium on funding for the Nicaraguan democratic resistance;
 - Secretary of State George P. Shultz.

The White House announced that the President designated Senator Strom Thurmond of South Carolina as his representative to the 1987 Paris Air Show.

March 19

- The President met at the White House with:
- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
 - the Vice President, for lunch.

March 20

- The President met at the White House with:
- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
 - regional political directors of the 1976 and 1980 Republican Presidential campaigns, to discuss the political and legislative agendas for the next 2 years;
 - Secretary of State George P. Shultz.

The President sent to the Congress requests for offsetting amendments to fiscal year 1987 supplemental appropriations that would help implement the decision to provide an additional \$300 million in economic assistance to the democratic countries of Central America: Costa Rica, El Salvador, Guatemala, and Honduras. The President also sent to the Congress proposed language that would enable the Department of Education to make grants available on a timely basis to the school systems of the Federated States of Micronesia and the Republic of the Marshall Islands. These grants to governments in the former Trust Territory of the Pacific Islands would assist these governments during their transition to their new status as freely associated states. In addition, the President requested \$20 million in fiscal year 1988 and \$20 million in fiscal year 1989 to provide funds to strengthen the nations' civil defense program.

In the afternoon, the President left the White House for a weekend stay at Camp David, MD.

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March 22

The President returned to the White House from a weekend stay at Camp David, MD.

March 23

The President met at the White House with:

- Howard H. Baker, Jr., Chief of Staff to the President; Kenneth M. Duberstein, Deputy Chief of Staff to the President; and Colin L. Powell, Deputy Assistant to the President for National Security Affairs;
- members of the White House staff;
- Senator Robert Dole of Kansas and Secretary of Transportation Elizabeth Hanford Dole, to discuss the Surface Transportation and Uniform Relocation Assistance Act of 1987;
- the editors of *Conservative Digest*;
- Secretary of Defense Caspar W. Weinberger.

The President transmitted to the Congress the 10th annual report of the National Institute of Building Sciences.

March 24

The President met at the White House with:

- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
- the Republican congressional leadership, to discuss the Federal budget and a possible veto of the Surface Transportation and Uniform Relocation Assistance Act of 1987;
- the Cabinet, to discuss the fiscal year 1988 management report and to receive the 5-year progress report on the President's Council on Integrity and Efficiency.

March 25

The President met at the White House with:

- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
- Archbishop Iakovos, Primate of the Greek Orthodox Church in North and South America;
- a group of conservative supporters, to discuss the administration's agenda for the next 2 years.

March 27

The President met at the White House with:

- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
- Neil Kinnock, leader of the British Labor Party, to discuss British unilateral nuclear disarmament and the buildup of its conventional forces;

—White House news photographers award recipients;

—the Vice President, for lunch;

—Secretary of State George P. Shultz.

The President transmitted to the Congress the annual report of the National Endowment for the Arts and the National Council on the Arts for fiscal year 1986.

The White House announced that the President has invited Prime Minister Yasuhiro Nakasone of Japan to make an official visit. Prime Minister Nakasone has accepted the invitation and will meet with the President at the White House on April 30.

The White House announced that the President has named Secretary of the Treasury James A. Baker III and Mrs. Baker to be the official U.S. representatives to the celebration of Australia-America Friendship Week in Australia.

March 28

In the evening, the President attended the Gridiron Dinner at the Capital Hilton Hotel.

March 30

The President met at the White House with:

- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
- members of the White House staff;
- Daniel J. Boorstin, Librarian of Congress, to discuss the current status of the Library of Congress;
- Members of the Senate, to encourage efforts to sustain the veto of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

In an Oval Office ceremony, the President presented the Paul Boucher Award to Henry J. Myer, of the Department of Housing and Urban Development. The award was created by the President's Council on Integrity and Efficiency in memory of the Inspector General of the Small Business Administration and is awarded to Federal employees for exemplary performance in uncovering waste and fraud.

March 31

The President met at the White House with:

- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
- U.S. representatives to the International Conference on Private Sector Initiatives, to receive their report on the activities of the Conference;
- Representative Robert S. Walker of Pennsylvania, to discuss the space program;

—David M. Abshire, Special Counsellor to the President.

April 2

The President met at the White House with:
—the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
—Lord Carrington, Secretary-General of NATO;
—the Economic Policy Council.

Late in the morning, the President met with Republican Members of the Senate in the Old Senate Chamber at the Capitol to ask for their support on the vote to sustain the veto of the Surface Transportation and Uniform Relocation Assistance Act of 1987. The President then met in the office of Minority Leader Robert Dole with Republican Senators who had voted to override his veto on April 1 to discuss their concerns regarding the bill and to ask them to reconsider their position.

The President transmitted to the Congress the annual report of ACTION for fiscal year 1986.

April 3

The President met at the White House with:
—the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
—members of the Ronald Reagan Presidential Foundation, for lunch;
—Secretary of State George P. Shultz.

April 4

The President approved and sent to the Congress a request for a total of \$2.5 billion in funding for the Department of Energy to implement fully the recommendation of the special envoys on acid rain that the United States Government and industry cost-share a \$5 billion program of demonstrations of innovative control technologies to reduce air pollution emissions. This proposal, when added to the funds already contained in the 1988 budget, will provide total funding of \$500 million per year in fiscal years 1988 through 1992—a total of \$2.5 billion—for the Innovative Control Technology Demonstration Program. The fiscal year 1988 increase would be fully offset by outlay reductions in lower priority programs, some of which are also being transmitted to the Congress in this package.

April 7

The President met at the White House with:
—the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;

—corporate sponsors of the commemoration of the bicentennial of the Constitution, for lunch;

—the Cabinet, to discuss his trip to Canada and the domestic policy agenda for the next 2 years;

—U.S. Ambassadors Burton Levin (Burma), John Cameron Monjo (Malaysia), Stephen R. Lynes (Ghana), and Arthur H. Davis (Panama), prior to their departure for their overseas posts.

April 8

The President met at the White House with:
—the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;

—a group of supporters of Canada-U.S. free trade;

—Secretary of State George P. Shultz.

In the morning, the President met at the Pentagon with Secretary of Defense Caspar W. Weinberger and the Joint Chiefs of Staff.

April 9

The President met at the White House with:
—the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;

—members of the American Friends of Lubavitch, an organization that encourages adherence to the laws and customs of Hasidic Judaism;

—the Vice President, for lunch.

The President declared that a major disaster existed in Maine as a result of severe storms and flooding that occurred in late March and early April, which caused extensive property damage. He directed the Federal Emergency Management Agency to provide assistance.

April 11

The President attended a luncheon with members of the Ronald Reagan Library Foundation in Los Angeles, CA. He then traveled to his ranch in Santa Barbara County, CA.

April 16

The President declared that a major disaster existed in New Hampshire as a result of severe spring storms and flooding that occurred on March 30. He directed the Federal Emergency Management Agency to provide funds to supplement State and local efforts to repair the damage.

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April 18

The President declared that a major disaster existed in Massachusetts as a result of flooding that occurred in early April. He directed the Federal Emergency Management Agency to provide funds to supplement State and local efforts to repair the damage.

April 20

The President returned to the White House following a stay at his ranch in Santa Barbara County, CA.

April 21

The President met at the White House with:

- the Republican congressional leadership, to discuss Secretary of State Shultz' meetings in Moscow and arms reduction negotiations on intermediate-range nuclear weapons;
- Japanese Special Envoy Shintaro Abe, to discuss U.S. tariffs on Japanese imports and Japanese trade practices;
- Howard H. Baker, Jr., Chief of Staff to the President, and Frank C. Carlucci, Assistant to the President for National Security Affairs;
- Donna H. Oliver, of Burlington, NC, who was chosen as the National Teacher of the Year;
- the Cabinet, to discuss Secretary of State Shultz' meetings in Moscow and budget reform.

The President transmitted to the Congress the 21st annual report of the National Endowment for the Humanities, which covered 1986.

The White House announced that President Reagan has invited President Vinicio Cerezo Arévalo of Guatemala to make an official working visit to the United States. President Cerezo has accepted the invitation and will meet with President Reagan at the White House on May 13.

The President sent to the Congress a request for appropriations language requests for the Department of Defense and the Veterans Administration, a \$650,000 reduction in a request for fiscal year 1987 supplemental appropriations for the Department of the Treasury, and appropriations requests for the legislative branch totaling \$2.2 million in fiscal year 1987 and \$5.5 million in fiscal year 1988.

The President designated Mary E. Mann as Acting Special Counsel for Immigration-Related Unfair Employment Practices. Ms. Mann is presently serving as Counsel to the Assistant Attorney General, Civil Rights Division, Department of Justice.

April 22

- The President met at the White House with:
- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C.

Carlucci, Assistant to the President for National Security Affairs;

—Secretary of State George P. Shultz;

—the congressional leadership, to discuss Secretary of State Shultz' meetings in Moscow, arms reduction negotiations on intermediate-range nuclear weapons, and budget reform.

The President transmitted to the Congress the 22d annual report on the status of the National Wilderness Preservation System for calendar year 1985.

In the afternoon, the President hosted a luncheon in the Residence for members of Citizens for America, a national civic organization that supports the President's economic and national security programs.

April 23

The President met at the White House with:

- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
- the Vice President, for lunch.

April 24

The President met at the White House with:

- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
- Secretary of State George P. Shultz.

In the evening, the President hosted a dinner in the Residence for members of the Ronald Reagan Presidential Foundation.

Later in the evening, the President left the White House for a weekend stay at Camp David, MD.

April 26

The President returned to the White House from a weekend stay at Camp David, MD.

April 27

The President met at the White House with:

- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
- members of the White House staff.

In the evening, the President attended a dinner honoring Senator Paul Laxalt of Nevada at the Georgetown Club.

April 28

The President met at the White House with:

- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;

- the Republican congressional leadership;
- Senator Gordon J. Humphrey of New Hampshire, to discuss the Senator's recent trip to Pakistan.

April 29

The President met at the White House with:

- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
- Prime Minister Gro Harlem Brundtland of Norway;
- Republican Representatives, to discuss the international trade bill and the Gephardt amendment;
- the Economic Policy Council and the Domestic Policy Council, to discuss the Energy Department's energy security study;
- Secretary of the State George P. Shultz.

The President sent to the Congress requests reducing the request for fiscal year 1988 appropriation by \$2.8 million for agencies in the Executive Office of the President, \$8 million for international security assistance, \$9.2 million for international development assistance, \$7.4 million for the Department of State, and appropriation language for the General Services Administration. These reductions, along with others already proposed and administrative action by the Department of the Treasury to increase custom collections, would completely offset the increased fiscal year 1988 outlays resulting from the effect of the President's proposals to support demonstrations of innovative clean coal technologies that were sent to the Congress on April 4, 1987. Also included in this transmittal is a \$400 thousand reduction in a request for fiscal year 1987 supplemental appropriations for the Small Business Administration and appropriations requests for the legislative branch totaling \$3.2 million in fiscal year 1987 and \$4.5 million in fiscal year 1988.

April 30

The President met at the White House with:

- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
- the Vice President, for lunch;
- Secretary of Defense Caspar W. Weinberger.

May 1

The President met at the White House with:

- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
- Secretary of State George P. Shultz.

The President transmitted to the Congress the 16th annual report of the Department of Transportation, which covered 1982.

The President announced his intention to nominate Ewen M. Wilson to be a member of the Board of Directors of the Commodity Credit Corporation. He would succeed Robert L. Thompson. Mr. Wilson was nominated to be an Assistant Secretary of Agriculture (Economics) on April 23.

The President named Secretary of the Army and Mrs. John O. Marsh, Jr., to be the U.S. representatives to the celebration of Australia-America Friendship Week in Australia. Secretary and Mrs. Marsh will replace Secretary of the Treasury and Mrs. James A. Baker III.

May 4

The President met at the White House with:

- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
- members of the White House staff, for the issues briefing luncheon;
- the Domestic Policy Council, to discuss AIDS research and treatment;
- White House fellows.

May 5

The President met at the White House with the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs.

The White House announced that the President has invited Prime Minister Ingvar Carlsson of Sweden to make an official visit to the United States. Prime Minister Carlsson has accepted the invitation and will meet with the President at the White House on September 9.

May 6

The President met at the White House with the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs.

May 7

The President met at the White House with:

- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
- the Vice President, for lunch.

The President designated Louis F. Laun, an Assistant Secretary of Commerce, to serve as a member of the Board of Directors of the Overseas Private Investment Corporation. He would succeed Harold Peter Goldfield.

Appendix A / Administration of Ronald Reagan, 1987

The President sent to the Congress a request for an additional \$100 million in fiscal year 1987 for the Veterans Administration's housing loan guaranty program. These funds are needed to handle the greater-than-anticipated demands being made on the program. Based on current levels of loan activity, the requested supplemental appropriation for this entitlement program would be made unnecessary if Congress were to adopt the administration's proposal to increase the VA loan fee from 1 percent of the mortgage to 2.5 percent. The administration continues to support no-downpayment housing loans for veterans. An increase in the fee is necessary, however, to put this program, which has cost taxpayers \$2 billion since 1978, on a solid financial footing. The President also requested fiscal year 1987 authority to transfer funds for the Department of Transportation and a routine appropriation language change for the White House Conference on Drug Abuse and Control.

In the evening, the President hosted a reception for the National Endowment for the Humanities in the Residence.

May 8

The President met at the White House with:

- Members of Congress, to discuss the international trade bill;
- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
- a delegation from the Arab League, to discuss the Iran-Iraq war;
- the House Republican leadership, to discuss an increase in the national debt ceiling;
- signatories to the report of the Working Seminar on Family and American Welfare Policy.

In the afternoon, the President telephoned Gov. John D. Ashcroft of Missouri to discuss self-help programs and the welfare system.

May 9

In the afternoon, the President attended the funeral of William J. Casey, former Director of Central Intelligence, in New York City and then returned to the White House.

May 11

The President met at the White House with:

- Members of Congress;
- the Vice President and Howard H. Baker, Jr., Chief of Staff to the President;
- Secretary of Defense Caspar W. Weinberger;
- members of the White House staff, for the issues briefing luncheon.

In an Oval Office ceremony, the President received diplomatic credentials from Ambassadors Alfredo Lopes Cabral of Guinea-Bissau, Sahr Mat-

turi of Sierra Leone, Andre Philippe of Luxembourg, Ahmed Abdulla Zaid Al-Mahmoud of Qatar, Julian Santamaria Ossorio of Spain, William Randolph Douglas of Barbados, Amini Ali Moumin of Comoros, Mohammad Suni bin Haji Idriss of Brunei Darussalam, and Pieter G.J. Koornhof of South Africa.

May 12

The President met at the White House with:

- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
- Secretary of State George P. Shultz;
- Charles K. Nishioka, who was chosen as the Small Business Person of the Year.

In the afternoon, the President hosted a reception in the Residence for supporters of Eureka College and participants in the Ronald Reagan Scholarship program.

May 13

The President met at the White House with the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs.

May 14

The President met at the White House with:

- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
- news magazine reporters.

May 15

The President met at the White House with the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs.

The President declared that a major disaster existed in New York as a result of heavy rains and flooding that began on April 3. He directed the Federal Emergency Management Agency to provide funds to supplement State and local efforts to repair the damage.

May 18

The President met at the White House with:

- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
- President Mário Alberto Soares of Portugal, to discuss bilateral and international issues, including the situation in Central and South America and Africa;

- members of the White House staff, for the issues briefing luncheon;
- Secretary of Defense Caspar W. Weinberger;
- U.S. Ambassadors Fred J. Eckert (United Nations Food and Agriculture Organization), Arnold L. Raphel (Pakistan), T. Frank Crigler (Somalia), James K. Bishop (Liberia), James D. Phillips (Burundi), Clyde D. Taylor (Paraguay), David C. Fields (Central African Republic), and James W. Rawlings (Zimbabwe), prior to their departure for their overseas posts.

May 19

The President met at the White House with the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs.

The White House announced that the President designated David Harris as Chairman of the Intergovernmental Advisory Council on Education.

May 20

- The President met at the White House with:
- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
 - Pakistani Minister of Defense Sahabzada Yaqub Kahn;
 - Secretary of State George P. Shultz;
 - a delegation from the Chinese Ministry of Defense.

In the afternoon, the President telephoned the parents of Christopher DeAngelis, a crewmember onboard the U.S.S. *Stark* who was killed in the missile attack on May 17. The President expressed his deep sympathy and told Mr. and Mrs. DeAngelis that they would be provided with transportation to the memorial service at the Mayport Naval Station in Jacksonville, FL, on May 22.

In the evening, the President hosted a reception in the Residence for Republican women elected to public office.

May 21

- The President met at the White House with:
- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
 - Secretary of Defense Caspar W. Weinberger.

In the evening, the President hosted a reception in the Residence for the Vote America Foundation, an organization which promotes voter registration among young adults.

May 22

After attending the memorial service for crewmembers of the U.S.S. *Stark* at the Mayport Naval Station in Jacksonville, FL, the President went to Camp David, MD, for a weekend stay.

May 25

In the afternoon, the President returned to the White House following a weekend stay at Camp David, MD.

May 26

- The President met at the White House with:
- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
 - Prince Felipe de Borbon of Spain.

The President declared that a major disaster existed in Texas as a result of the tornado that struck the Saragosa area on May 22. He directed the Federal Emergency Management Agency to provide funds to supplement State and local efforts to repair the damage.

May 27

- The President met at the White House with:
- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
 - Secretary of State George P. Shultz;
 - Italian Prime Minister Amintore Fanfani, to discuss the upcoming Venice economic summit.

May 28

- The President met at the White House with:
- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
 - the Republican congressional leadership, to discuss Federal deficit reduction and the situation in the Persian Gulf;
 - Belgian Prime Minister Wilfried Martens;
 - members of GOPAC, a Republican fundraising organization;
 - the Domestic Policy Council, to discuss AIDS treatment and testing.

May 29

- The President met at the White House with:
- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
 - Secretary of State George P. Shultz;
 - Senator and Mrs. Robert C. Byrd of West Virginia, for lunch.

Appendix A / Administration of Ronald Reagan, 1987

In the afternoon, the President left the White House for a weekend stay at Camp David, MD.

May 31

The President returned to the White House from a weekend stay at Camp David, MD.

June 1

- The President met at the White House with:
- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
 - members of the White House staff, for the issues briefing luncheon;
 - senior administration officials, to discuss the upcoming Venice economic summit.

June 2

- The President met at the White House with:
- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
 - Senators Lloyd Bentsen of Texas and Bob Packwood of Oregon.

The White House announced that the President has asked Representative Dan Rostenkowski of Illinois to represent the United States at the Poznan International Trade Fair, which will be held in Poznan, Poland.

The President sent to the Congress a request for routine appropriation language that would provide the following:

- authority in fiscal year 1987 for the Small Business Administration to transfer funds between accounts to provide additional staff to handle the greater than anticipated number of applications for disaster loans;
- language in fiscal year 1988 relating to the purchase of items under the Defense Production Act;
- language in fiscal year 1988 for the Department of the Interior to enable the Bureau of Indian Affairs (BIA) to contract with State and local school districts to operate BIA schools and to initiate a new workfare type self-assistance program;
- language in fiscal year 1988 for the Department of Transportation to provide that pipeline safety be financed by the Pipeline Safety Fund as required by law.

June 3

The President arrived at Marco Polo Airport in Venice, Italy, where he was greeted by Italian Prime Minister Amintore Fanfani, and then proceeded to the Villa Condulmer in Mogliano, Italy.

June 5

In the morning, the President met with members of the White House staff at the Villa Condulmer.

June 6

The President traveled to the Vatican for an audience with Pope John Paul II.

June 7

The President met throughout the day with members of the White House staff at the Villa Condulmer.

June 8

In the morning, the President arrived at the Hotel Cipriani in Venice, Italy, his residence during the economic summit. He then met with Prime Minister Amintore Fanfani of Italy.

In the afternoon, the President attended a summit briefing and a working luncheon with administration officials and members of the White House staff. He then had bilateral meetings with Chancellor Helmut Kohl of the Federal Republic of Germany and Prime Minister Yasuhiro Nakasone of Japan.

In the evening, the President attended the arrival ceremony and reception for summit participants at the Palazzo Ducale and the official summit opening dinner at the Prefettura on the Grand Canal. He then returned to the Hotel Cipriani.

June 9

The President attended a morning working session with summit leaders at the Giorgio Cini Foundation. After a working luncheon, he met with Prime Minister Margaret Thatcher of the United Kingdom and then participated in an afternoon plenary session of the summit.

In the evening, the President attended a working dinner for summit leaders and foreign ministers at the Palazzo Grassi on the Grand Canal. He then returned to the Hotel Cipriani.

June 10

In the morning, the President attended a plenary session of the summit at the Giorgio Cini Foundation.

After a final luncheon for summit participants hosted by Italian President Francesco Cossiga at the Palazzo Ducale, President Reagan returned to the Hotel Cipriani and met with French President François Mitterrand and Prime Minister Jacques Chirac.

June 11

In the morning, the President met with senior advisers at the Hotel Cipriani. Later he met with Prime Minister Brian Mulroney of Canada.

He then traveled to Berlin and Bonn, Federal Republic of Germany, before returning to Washington, DC.

June 15

The President met at the White House with: —the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs; —the congressional leadership, to discuss the Venice economic summit and the Federal budget process.

June 16

The President met at the White House with the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs.

In the afternoon, the President hosted a reception for the Republican Congressional Council in the Residence at the White House.

June 17

The President met at the White House with: —the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs; —U.S. Ambassadors John S.R. Shad (Netherlands), Robert H. Pelletreau (Tunisia), Sol Polansky (Bulgaria), Denis Lamb (Organization for Economic Cooperation and Development), Samuel B. Thomsen (Marshall Islands), and Robert M. Smalley (Lesotho), prior to their departure for their overseas posts; —Secretary of Defense Caspar W. Weinberger.

The White House announced that the President has invited Prime Minister Margaret Thatcher of the United Kingdom to visit the United States. The Prime Minister has accepted the invitation and will meet with the President at the White House on July 17.

June 18

The President met at the White House with: —the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs; —the Domestic Policy Council, to discuss international negotiations on a protocol for the protection of the ozone; —Lithuanian-American community leaders.

June 19

The President met at the White House with the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci,

Assistant to the President for National Security Affairs.

In the afternoon, the President left the White House for a weekend stay at Camp David, MD.

June 21

The President returned to the White House from a weekend stay at Camp David, MD.

June 23

The President met at the White House with: —the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs; —the Republican congressional leadership, to discuss the Federal budget.

The White House announced that the President signed a memorandum to the U.S. Trade Representative that permits a renewal of trade agreements with Hungary.

June 24

The President met at the White House with the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs.

In the morning, the President telephoned Patricia Stethem, the mother of Robert D. Stethem, the U.S. Navy diver murdered in the 1985 hijacking of TWA flight 847. He told Mrs. Stethem that he had been assured by Chancellor Helmut Kohl that the West German Government would fulfill its international legal obligations in its handling of Mohammed Ali Hamadei, who has been accused of perpetrating the hijacking and murder, and that justice would be done.

The White House announced that the President signed a memorandum to the U.S. Trade Representative that permitted a renewal of trade agreements with Romania.

The President designated Charles C. Cox as Acting Chairman of the Securities and Exchange Commission. Mr. Cox has served as a member of the Commission since November 1983.

June 25

The President met at the White House with: —the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs; —W. Eugene Mayberry, Chairman of the Presidential Commission on the Human Immunodeficiency Virus Epidemic; —the Vice President, for lunch.

In the afternoon, the President hosted a reception in the Residence for members of the President's Committee of Citizens for the Republic.

Appendix A / Administration of Ronald Reagan, 1987

June 26

- The President met at the White House with:
- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
 - members of the Ronald Reagan Boyhood Home staff;
 - Secretary of State George P. Shultz and Gaston J. Sigur, Assistant Secretary of State for East Asian and Pacific Affairs, to discuss the political situation in the Republic of Korea.

In the afternoon, the President telephoned U.S. Supreme Court Justice Lewis F. Powell after receiving notification of Justice Powell's resignation. The President praised Justice Powell for his long and distinguished service on the Court and wished him well as he entered retirement.

The President announced his intention to redesignate Roger William Jepsen as Chairman of the National Credit Union Administration Board, effective August 3. Senator Jepsen has served as a member and Chairman of the Board since October 1985.

The White House announced that the President designated Maureen Reagan as head of the U.S. delegation to the celebrations marking the 25th anniversary of the independence of Rwanda, which will be held in Kigali on July 1. Accompanying Ms. Reagan as members of the delegation will be John E. Upston, U.S. Ambassador to Rwanda; John H. Smith, mayor of Prichard, AL; Roy Stacy, Assistant Secretary of State for African Affairs; and T.T. Williams, director of human resources development at Tuskegee University. Additionally, Ms. Reagan will be making goodwill visits to Gabon and Tanzania.

The President sent to the Congress a request for additional fiscal year 1988 appropriations for the Department of Labor to provide for the additional workload resulting from the enactment of the Immigration Reform and Control Act of 1986 and the Federal Employees Retirement System Act of 1986. Funds are also requested to deal with the deterioration of the California occupational safety and health enforcement program following the Governor's decision not to provide State financing for the program after June 30, 1987. The increased outlays associated with these proposals would be offset by reductions in other Department of Labor programs.

This transmittal also includes a request for an additional \$7.5 million in fiscal year 1988 for the judiciary.

Later in the afternoon, the President underwent a colonoscopic examination up to the anastomosis created during the operative procedure performed in July 1985. Two small benign-appearing polyps were discovered and removed

and will be subjected to microscopic pathologic analysis.

A routine prostate examination was also performed as a followup to the President's prostate operation in January 1987. The President's condition was found to be normal.

The President then left the White House for a weekend stay at Camp David, MD.

June 27

In the afternoon, while at Camp David, MD, the President was informed by Col. John Hutton, Jr., Physician to the President, that the two small polyps removed during the colonoscopic examination on June 26 were benign.

June 28

In the afternoon, the President returned to the White House from a weekend stay at Camp David, MD.

Later in the afternoon, the President and Mrs. Reagan hosted "In Performance at the White House" in the East Room.

June 29

- The President met at the White House with:
- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
 - members of the White House staff, for the issues briefing luncheon;
 - Gov. John H. Sununu, chairman, and members of the National Governors' Association's Federal Assistance Review Project;
 - Attorney General Edwin Meese III, Howard H. Baker, Jr., Chief of Staff to the President, and Arthur B. Culvahouse, Jr., Counsel to the President, to discuss the initial list of candidates for Associate Justice of the Supreme Court of the United States.

June 30

- The President met at the White House with:
- the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;
 - the congressional leadership, to discuss U.S. policy in the Persian Gulf.

The President sent to the Congress requests for additional fiscal year 1988 appropriations for the following purposes:

- \$257.1 million, including \$11 million in transferred unobligated fund balances from other programs, for the Department of Health and Human Services to combat Acquired Immune Deficiency Syndrome (AIDS). These additional funds would be used for preventive education, antibody test-

ing and counseling, and additional research. This increase will be fully offset by regulatory action to not reimburse hospitals for bad debts that are not specifically a statutory obligation of the Medicare trust funds.

—\$51.5 million in transfer authority for the Department of Transportation to enable the Federal Aviation Administration to hire an additional 955 air traffic control staff, including 580 air traffic controllers. These additional personnel will enable the air traffic control system to handle anticipated increases in air traffic. These funds would be transferred from unobligated fund balances of other Transportation Department programs.

—\$64,000 for the legislative branch.

In the evening, the President attended a dinner honoring Katherine Graham, chairman of the Washington Post Co., in the Departmental Auditorium.

July 1

The President met at the White House with:

—the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs, to discuss the candi-

dates for Associate Justice of the Supreme Court of the United States;

—Senator Strom Thurmond, to discuss the candidates for Associate Justice of the Supreme Court of the United States;

—Secretary of State George P. Shultz;

—the Cabinet.

July 2

The President met at the White House with:

—the Vice President; Howard H. Baker, Jr., Chief of Staff to the President; and Frank C. Carlucci, Assistant to the President for National Security Affairs;

—the Cabinet, to discuss the Economic Bill of Rights;

—pollster Richard B. Wirthlin;

—John Kevin Hill, an 11-year-old pilot who flew a small plane across the country.

In the afternoon, the President received the Volunteer of the Year Award in the Oval Office at the White House.

Later in the afternoon, the President hosted a reception for Human Events and Radio America in the Residence.

July 3

The President left the White House for a weekend stay at Camp David, MD.

Appendix B—Nominations Submitted to the Senate

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted January 20

Reena Raggi,
of New York, to be United States District Judge for the Eastern District of New York, vice Frank X. Altimari, elevated.

Frederick J. Hess,
of Illinois, to be United States Attorney for the Southern District of Illinois for the term of 4 years (reappointment).

P. Raymond Lamonica,
of Louisiana, to be United States Attorney for the Middle District of Louisiana for the term of 4 years, vice Stanford O. Bardwell, Jr., resigned.

O. Evans Denney,
of Delaware, to be United States Marshal for the District of Delaware for the term of 4 years (reappointment).

Faith P. Evans,
of Hawaii, to be United States Marshal for the District of Hawaii for the term of 4 years (reappointment).

Blaine Skinner,
of Idaho, to be United States Marshal for the District of Idaho for the term of 4 years (reappointment).

James L. Meyers,
of Louisiana, to be United States Marshal for the Middle District of Louisiana for the term of 4 years (reappointment).

Francis K. Peo,
of New York, to be United States Marshal for the Northern District of New York for the term of 4 years (reappointment).

Stuart E. Earnest,
of Oklahoma, to be United States Marshal for the Western District of Oklahoma for the term of 4 years (reappointment).

Eugene V. Marzullo,
of Pennsylvania, to be United States Marshal for the Western District of Pennsylvania for the term of 4 years (reappointment).

John T. Callery,
of Tennessee, to be United States Marshal for the Western District of Tennessee for the term of 4 years (reappointment).

J. Keith Gary,
of Texas, to be United States Marshal for the Eastern District of Texas for the term of 4 years, vice James G. Barton, term expired.

Eugene H. Davis,
of Utah, to be United States Marshal for the District of Utah for the term of 4 years (reappointment).

Submitted January 21

Edward J. Derwinski,
of Illinois, to be Under Secretary of State for Coordinating Security Assistance Programs, vice William Schneider, Jr.

Burton Levin,
of Maryland, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Socialist Republic of the Union of Burma.

Stephen R. Lyne,
of Maryland, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Ghana.

Melissa Foelsch Wells,
of New York, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of Mozambique.

Arnold Lewis Raphael,
of New Jersey, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Islamic Republic of Pakistan.

Appendix B / Administration of Ronald Reagan, 1987

Richard Noyes Viets, of Florida, a career member of the Senior Foreign Service, Class of Career-Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Portugal.

Trusten Frank Crigler, of Virginia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Somali Democratic Republic.

Everett E. Bierman, of Virginia, now Ambassador Extraordinary and Plenipotentiary of the United States of America to Papua New Guinea and to Solomon Islands, to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Vanuatu.

Joseph Carlton Petrone, of Iowa, to be the Representative of the United States of America to the European Office of the United Nations, with the rank of Ambassador.

Arthur G. Linkletter, of California, for the rank of Ambassador during the tenure of his service as Commissioner General of the United States Exhibition for the International Exposition, Brisbane, Australia, 1988.

Submitted January 26

The following-named persons to be members of the General Advisory Committee of the United States Arms Control and Disarmament Agency:

Martin Anderson, of California, vice Shirley N. Pettis, resigned.

Peter H. Dailey, of California, vice Laurence Hirsch Silberman.

James T. Hackett, of Virginia, vice George M. Seignious II, resigned.

Richard Salisbury Williamson, of Illinois, vice Douglas A. Fraser.

Max Charles Graeber, of Virginia, to be a member of the National Advisory Council on Educational Research and Improvement for a term expiring September 30, 1989, vice David A. Armor, resigned.

Wallie Cooper Simpson, of New York, to be a member of the National Advisory Council on Educational Research and Improvement for a term expiring September 30, 1988 (reappointment).

The following-named persons to be members of the Board for International Broadcasting for the terms indicated:

Joseph Lane Kirkland, of the District of Columbia, for a term expiring April 28, 1987 (reappointment).

Michael Novak, of the District of Columbia, for a term expiring April 28, 1988 (reappointment).

Malcolm Forbes, Jr., of New Jersey, for a term expiring April 28, 1989 (reappointment).

Ben J. Wattenburg, of the District of Columbia, for a term expiring April 28, 1989 (reappointment).

E. Pendleton James, of Connecticut, to be a member of the Board of Directors of the Communications Satellite Corporation until the date of the annual meeting of the Corporation in 1989 (reappointment).

Sheila Tate, of Virginia, to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1991, vice Lillie E. Herndon, term expired.

Milton J. Hertz, of North Dakota, to be a member of the Board of Directors of the Commodity Credit Corporation, vice Everett George Rank, Jr., resigned.

The following-named persons to be members of the Mississippi River Commission:

Brig. Gen. Charles Ernest Edgar III, United States Army, vice Robert Joseph Dacey.

Frank H. Walk, of Louisiana, for a term of 9 years, vice Roy T. Sessums, deceased.

Carolyn L. Vash, of California, to be a member of the National Council on the Handicapped for a term expiring September 17, 1989, vice H. Latham Breunig, term expired.

George H. Nash, of Iowa, to be a member of the National Commission on Libraries and Information Science for a term expiring July 19, 1991, vice Byron Leeds, term expired.

The following-named persons to be members of the National Council on the Arts for terms expiring September 3, 1992:

David N. Baker, of Indiana, vice Toni Morrison, term expired.

Nina Brock, of Tennessee, vice Lida Rogers, term expired.

Robert Garfias, of California, vice Arthur I. Jacobs, term expired.

Robert M. Johnson, of Florida, vice Margo Albert, deceased.

Ardis Krainik, of Illinois, vice Ieoh Ming Pei, term expired.

Harvey Lichtenstein, of New York, vice Robert Joffrey, term expired.

Arthur Mitchell, of New York, vice Kurt Herbert Adler, term expired.

The following-named persons to be members of the National Museum Services Board for the terms indicated:

Rosemary G. McMillan, of Nevada, for a term expiring December 6, 1990, vice Fucheng Richard Hsu, term expired.

James H. Duff, of Pennsylvania, for a term expiring December 6, 1991 (reappointment).

Charles Luna, of Texas, to be a member of the Board of Directors of the National Railroad Passenger Corporation for a term expiring April 27, 1990 (reappointment).

Darrell M. Trent, of Kansas, to be a member of the Board of Directors of the National Railroad Passenger Corporation for a term expiring April 27, 1990, vice Ross E. Rowland, Jr., term expired.

The following-named persons to be members of the National Science Board, National Science Foundation, for terms expiring May 10, 1992:

Frank H.T. Rhodes, of New York, vice Donald B. Rice, term expired.

Howard A. Schneiderman, of Missouri, vice Mary Jane Osborn, term expired.

Norma Pace, of Connecticut, to be a Governor of the United States Postal Service for the term expiring December 8, 1994, vice George Watson Camp, term expired.

The following-named persons to be members of the Board of Directors of the Securities Investor Protection Corporation for terms expiring December 31, 1988:

Thomas J. Healey, of New Jersey, vice Stephen L. Hammerman, term expired.

James G. Stearns, of Nevada (reappointment).

Priscilla L. Buckley, of Connecticut, to be a member of the United States Advisory Commission on Public Diplomacy for a term expiring July 1, 1989 (reappointment).

Alfred Hugh Kingon, of New York, to be the Representative of the United States of America to the European Communities, with the rank and status of Ambassador Extraordinary and Plenipotentiary, vice J. William Middendorf II, resigning.

Submitted January 29

Robert E. Lamb, of Virginia, to be Assistant Secretary of State for Diplomatic Security (new position).

Charles H. Dallara, of Virginia, to be United States Executive Director of the International Monetary Fund for a term of 2 years (reappointment).

J. Michael Dorsey, of Missouri, to be General Counsel of the Department of Housing and Urban Development, vice John J. Knapp, resigned.

Charles A. Shanor, of Georgia, to be General Counsel of the Equal Employment Opportunity Commission for a term of 4 years, vice David L. Slate, resigned.

James L. Kolstad, of Colorado, to be a member of the National Transportation Safety Board for the term expiring December 31, 1991, vice Donald D. Engen, resigned.

Submitted February 2

Jack F. Matlock, Jr., of Florida, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Union of Soviet Socialist Republics.

Robert P. Charrow, of the District of Columbia, to be a Judge of the United States Claims Court for the term of 15 years, vice Robert M.M. Seto, term expired.

Bohdan A. Futey, of Ohio, to be a Judge of the United States Claims Court for the term of 15 years, vice Philip R. Miller, term expired.

Wilkes C. Robinson, of Kansas, to be a Judge of the United States Claims Court for the term of 15 years, vice Judith Ann Yannello, term expired.

David Bryan Sentelle, of North Carolina, to be United States Circuit Judge for the District of Columbia Circuit, vice Antonin Scalia, elevated.

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Michael S. Kanne,
of Indiana, to be United States Circuit Judge for
the Seventh Circuit, vice Jesse E. Eschbach, re-
tired.

Edward Leavy,
of Oregon, to be United States Circuit Judge for
the Ninth Circuit, vice Otto R. Skopil, Jr., retired.

Bernard H. Siegan,
of California, to be United States Circuit Judge
for the Ninth Circuit, vice Warren J. Ferguson,
retired.

Ronald S.W. Lew,
of California, to be United States District Judge
for the Central District of California, vice Laugh-
lin E. Waters, retired.

James H. Alesia,
of Illinois, to be United States District Judge for
the Northern District of Illinois, vice George N.
Leighton, retired.

James B. Zagel,
of Illinois, to be United States District Judge for
the Northern District of Illinois, vice Frank J.
McGarr, retired.

Richard J. Daronco,
of New York, to be United States District Judge
for the Southern District of New York, vice Lee
P. Gagliardi, retired.

Layn R. Phillips,
of Oklahoma, to be United States District Judge
for the Western District of Oklahoma, vice
Luther B. Eubanks, retired.

Malcolm F. Marsh,
of Oregon, to be United States District Judge for
the District of Oregon, vice Edward Leavy, ele-
vated.

Submitted February 3

Charles E. Redman,
of Florida, a career member of the Senior For-
eign Service, Class of Counselor, to be an Assist-
ant Secretary of State, vice Bernard Kalb.

Haldane Robert Mayer,
of Virginia, to be United States Circuit Judge for
the Federal Circuit, vice Marion T. Bennett, re-
tired.

Robert B. Costello,
of Michigan, to be an Assistant Secretary of De-
fense, vice James Paul Wade, Jr.

James W. Ziglar,
of Maryland, to be an Assistant Secretary of the
Interior, vice Robert N. Broadbent, resigned.

Judith Y. Brachman,
of Ohio, to be an Assistant Secretary of Housing
and Urban Development, vice Antonio Monroig,
resigned.

Lawrence F. Davenport,
of Virginia, to be an Assistant Secretary of
Energy (Management and Administration), vice
Martha O. Hesse.

Raymond G. Massie,
of New Jersey, to be Director of the Office of
Minority Economic Impact, vice Rosslee Green
Douglas.

Charles R. Gillum,
of Virginia, to be Inspector General, Small Busi-
ness Administration, vice Mary F. Wieseman, re-
signed.

The following-named persons to be members of
the Board of Directors of the Legal Services
Corporation for terms expiring July 13, 1989
(reappointments):

Hortencia Benavidez, of Texas
Lorain Miller, of Michigan
Claude Galbreath Swafford, of Tennessee
Robert A. Valois, of North Carolina

Submitted February 5

Robert N. Miller,
of Colorado, to be United States District Judge
for the District of Colorado, vice a new position
created by P.L. 98-353, approved July 10, 1984.

David S. Doty,
of Minnesota, to be United States District Judge
for the District of Minnesota, vice Miles W. Lord,
retired.

D. Michael Crites,
of Ohio, to be United States Attorney for the
Southern District of Ohio for the term of 4 years,
vice Christopher K. Barnes, resigned.

Jean K. Elder,
of Virginia, to be an Assistant Secretary of Health
and Human Services, vice Dorcas R. Hardy, re-
signed.

Patricia Hill Williams,
of New York, to be a member of the National
Advisory Council on Women's Educational Pro-
grams for the remainder of the term expiring
May 8, 1987, vice Elizabeth Helms Adams, re-
signed.

Patricia Hill Williams,
of New York, to be a member of the National
Advisory Council on Women's Educational Pro-

grams for a term expiring May 8, 1990 (reappointment).

The following-named persons to be members of the National Council on the Handicapped for terms expiring September 17, 1989:

Theresa Lennon Gardner, of the District of Columbia, vice Jeremiah Milbank, term expired.
Harry J. Sutcliffe, of New York, vice Michael Marge, term expired.

Submitted February 9

Van B. Poole, of Florida, to be a member of the National Advisory Council on Educational Research and Improvement for a term expiring September 30, 1989, vice Carl W. Salser, term expired.

Submitted February 11

Morton I. Greenberg, of New Jersey, to be United States Circuit Judge for the Third Circuit, vice Leonard I. Garth, retired.

Submitted February 13

Robert M. Gates, of Virginia, to be Director of Central Intelligence, vice William J. Casey, resigned.

The following-named persons to the positions indicated, to which positions they were appointed during the recess of the Senate from October 18, 1986, until January 6, 1987:

Lee H. Henkel, Jr., of Georgia, to be a member of the Federal Home Loan Bank Board for the term of 4 years expiring June 30, 1989, vice Donald I. Hovde, resigned.

Lawrence J. White, of New York, to be a member of the Federal Home Loan Bank Board for the term of 4 years expiring June 30, 1990, vice Mary A. Grigsby, resigned.

Submitted February 17

Sally Brayley Bliss, of New York, to be a member of the National Council on the Arts for a term expiring September 3, 1992, vice Martha Graham, term expired.

Submitted February 18

Douglas B.M. Ehlike, of Washington, to be a member of the Occupational Safety and Health Review Commission for the remainder of the term expiring April 27, 1991, vice Robert E. Rader, Jr., resigned.

Submitted February 24

Richard Bender Abell, of Virginia, to be an Assistant Attorney General, vice Lois H. Herrington, resigned.

Alfred J. Fleischer, Sr., of Missouri, to be a member of the Board of Directors of the National Corporation for Housing Partnerships for the term expiring October 27, 1988 (reappointment).

Frederick Phillips Brooks, Jr., of North Carolina, to be a member of the National Science Board, National Science Foundation, for a term expiring May 10, 1992, vice Stuart A. Rice, term expired.

Ronald A. Cass, of Massachusetts, to be a member of the United States International Trade Commission for the remainder of the term expiring June 16, 1987, vice Paula Stern, resigned.

Ronald A. Cass, of Massachusetts, to be a member of the United States International Trade Commission for the term expiring June 16, 1996 (reappointment).

Submitted February 25

Alton G. Keel, Jr., of Virginia, to be the United States Permanent Representative on the Council of the North Atlantic Treaty Organization, with the rank and status of Ambassador Extraordinary and Plenipotentiary.

Submitted February 26

Beryl Dorsett, of New York, to be Assistant Secretary for Elementary and Secondary Education, Department of Education, vice Lawrence F. Davenport.

Submitted March 3

Daryl Arnold, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Singapore.

Robert H. Pelletreau, Jr., of Connecticut, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Tunisia.

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Roger B. Andrewelt,
of the District of Columbia, to be a Judge of the
United States Claims Court for the term of 15
years, vice Thomas J. Lydon, term expired.

Joseph P. Stadtmueller,
of Wisconsin, to be a United States District Judge
for the Eastern District of Wisconsin, vice John
W. Reynolds, retired.

Earl L. Rife,
of Ohio, to be United States Marshal for the
Northern District of Ohio for the term of 4 years
(reappointment).

William J. Jonas, Jr.,
of Texas, to be United States Marshal for the
Western District of Texas for the term of 4 years
(reappointment).

Midge Decter,
of New York, to be a member of the Advisory
Board for Radio Broadcasting to Cuba for a term
expiring October 27, 1989 (reappointment).

The following-named persons to be members of
the National Council on the Handicapped for
terms expiring September 17, 1989:

Sandra Swift Parrino, of New York (reappoint-
ment).

Alvis Kent Waldrep, Jr., of Texas (reappoint-
ment).

The following-named persons to be members of
the National Council on the Humanities for the
terms indicated:

*For the remainder of the term expiring January
26, 1990:*

Jean Vaughan Smith, of California, vice Helen
Marie Taylor.

For terms expiring January 26, 1992:

Charles A. Moser, of Virginia, vice Samuel
DuBois Cook, term expired.

Paul J. Olscamp, of Ohio, vice Anita Silvers,
term expired.

Anne Paolucci, of New York, vice Frances
Dodson Rhome, term expired.

John Shelton Reed, Jr., of North Carolina, vice
Louise Ano Nuevo Kerr, term expired.

Submitted March 9

James Keough Bishop,
of New York, a career member of the Senior
Foreign Service, Class of Minister-Counselor, to
be Ambassador Extraordinary and Plenipotentiary
of the United States of America to the Republic
of Liberia.

John Cameron Monjo,
of Maryland, a career member of the Senior For-
eign Service, Class of Minister-Counselor, to be
Ambassador Extraordinary and Plenipotentiary of
the United States of America to Malaysia.

Fay S. Howell,
of Georgia, to be a member of the National
Museum Services Board for a term expiring De-
cember 6, 1991 (reappointment).

Submitted March 10

James Abdnor,
of South Dakota, to be Administrator of the Small
Business Administration, vice James C. Sanders,
resigned.

Withdrawn March 10

Robert M. Gates,
of Virginia, to be Director of Central Intelli-
gence, vice William J. Casey, resigned, which was
sent to the Senate on February 13, 1987.

Submitted March 11

Robert Holmes Bell,
of Michigan, to be United States District Judge
for the Western District of Michigan, vice Wen-
dell A. Miles, retired.

Verne L. Speirs,
of Virginia, to be Administrator of the Office of
Juvenile Justice and Delinquency Prevention,
vice Alfred S. Regnery.

Evan J. Kemp, Jr.,
of the District of Columbia, to be a member of
the Equal Employment Opportunity Commission
for the remainder of the term expiring July 1,
1987, vice William Arthur Webb, resigned.

Evan J. Kemp, Jr.,
of the District of Columbia, to be a member of
the Equal Employment Opportunity Commission
for the term expiring July 1, 1992 (reappoint-
ment).

Submitted March 13

Dwight G. Williams,
of Mississippi, to be United States Marshal for the
Northern District of Mississippi for the term of 4
years (reappointment).

Robert W. Foster,
of Ohio, to be United States Marshal for the
Southern District of Ohio for the term of 4 years
(reappointment).

Basil S. Baker,
of Texas, to be United States Marshal for the
Southern District of Texas for the term of 4 years
(reappointment).

Submitted March 17

Harry O'Connor,
of California, to be a member of the Board of
Directors of the Corporation for Public Broad-
casting for a term expiring March 26, 1991 (reap-
pointment).

Submitted March 19

Royce C. Lamberth,
of Virginia, to be United States District Judge for
the District of Columbia, vice Barrington D.
Parker, retired.

Marvin E. Breazeale,
of Mississippi, to be United States Marshal for the
Southern District of Mississippi for the term of 4
years (reappointment).

Submitted March 23

Sol Polansky,
of Maryland, a career member of the Senior For-
eign Service, Class of Minister-Counselor, to be
Ambassador Extraordinary and Plenipotentiary of
the United States of America to the People's Re-
public of Bulgaria.

John Shad,
of the District of Columbia, to be Ambassador
Extraordinary and Plenipotentiary of the United
States of America to the Kingdom of the Nether-
lands.

Sherman M. Funk,
of Maryland, to be Inspector General, Depart-
ment of State (new position).

Susan Wittenberg Liebeler,
of California, to be United States Circuit Judge
for the Federal Circuit, vice Shiro Kashiwa, re-
tired.

LeGree S. Daniels,
of Pennsylvania, to be Assistant Secretary for
Civil Rights, Department of Education, vice
Harry M. Singleton, resigned.

Bonnie Guiton,
of California, to be Assistant Secretary for Voca-
tional and Adult Education, Department of Edu-
cation, vice Robert Melvin Worthington, re-
signed.

James L. Usry,
of New Jersey, to be a member of the National
Advisory Council on Educational Research and

Improvement for a term expiring September 30,
1989, vice J. Floyd Hall, term expired.

Nancy Clark Reynolds,
of Virginia, to be a member of the National
Museum Services Board for a term expiring De-
cember 6, 1991, vice Ann Duncan Haffner, term
expired.

Submitted March 25

William Lee Hanley, Jr.,
of Connecticut, to be a member of the Board of
Directors of the Corporation for Public Broad-
casting for a term expiring March 26, 1992 (reap-
pointment).

Withdrawn March 25

Wallie Cooper Simpson,
of New York, to be a member of the National
Advisory Council on Educational Research and
Improvement for a term expiring September 30,
1988 (reappointment), which was sent to the
Senate on January 26, 1987.

Submitted March 27

James H. Webb, Jr.,
of Virginia, to be Secretary of the Navy, vice
John F. Lehman, Jr., resigned.

Submitted April 2

William H. Webster,
of Missouri, to be Director of Central Intelli-
gence, vice William J. Casey, resigned.

Suzanne B. Conlon,
of Illinois, to be United States District Judge for
the Northern District of Illinois, vice Thomas R.
McMillen, retired.

Frank L. McNamara, Jr.,
of Massachusetts, to be United States Attorney for
the District of Massachusetts for the term of 4
years, vice William F. Weld.

Submitted April 9

Carl D. Covitz,
of California, to be Under Secretary of Housing
and Urban Development, vice Lee L. Verstandig.

Victor H. Frank, Jr.,
of New Jersey, to be United States Director of
the Asian Development Bank, with the rank of
Ambassador, vice Joe O'Neal Rogers.

Jack R. Lousma,
of Michigan, to be a member of the General
Advisory Committee of the United States Arms

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Control and Disarmament Agency, vice William Robert Graham.

Archie C. Purvis,
of California, to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1991, vice Sonia Landau, term expired.

Kenneth Leon Nordtvedt, Jr.,
of Montana, to be a member of the National Science Board, National Science Foundation, for the remainder of the term expiring May 10, 1990, vice Simon Ramo, resigned.

Submitted April 10

Thomas C. Ferguson,
of Florida, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Brunei Darussalam.

Robert M. Smalley,
of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Lesotho.

Gerald J. McKiernan,
of Connecticut, to be an Assistant Secretary of Commerce, vice Paul A. Vander Myde, resigned.

William John Maroni,
of Rhode Island, to be an Assistant Secretary of Labor (new position).

B. Wayne Vance
of Virginia, to be General Counsel of the Department of Transportation, vice Jim J. Marquez, resigned.

Jack Edwards,
of Alabama, to be a member of the Board of Directors of the Metropolitan Washington Airports Authority for a term of 6 years (new position).

Leslie Lenkowsky,
of New York, to be a member of the National Council on the Handicapped for the remainder of the term expiring September 17, 1987, vice Justin W. Dart, Jr.

Leslie Lenkowsky,
of New York, to be a member of the National Council on the Handicapped for a term expiring September 17, 1990 (reappointment).

John W. Crutcher,
of Kansas, to be a Commissioner of the Postal Rate Commission for the term expiring October 16, 1992 (reappointment).

Anthony J. Gabriel,
of Virginia, to be Inspector General, United States Information Agency (new position).

Submitted April 21

Charles W. Larson,
of Iowa, to be United States Attorney for the Northern District of Iowa for the term of 4 years, vice Evan L. Hultman, resigned.

Submitted April 22

M. Peter McPherson,
of Virginia, to be Deputy Secretary of the Treasury, vice Richard G. Darman, resigned.

Frank J. Gaffney, Jr.,
of Pennsylvania, to be an Assistant Secretary of Defense, vice Richard N. Perle, resigned.

Max M. Kampelman,
of the District of Columbia, to be Counselor of the Department of State, vice Edward J. Derwinski.

Submitted April 23

June Gibbs Brown,
of Virginia, to be Inspector General, Department of Defense, vice Joseph H. Sherick, resigned.

Charles F. Rule,
of the District of Columbia, to be an Assistant Attorney General, vice Douglas H. Ginsburg.

Ewen M. Wilson,
of Virginia, to be an Assistant Secretary of Agriculture, vice Robert L. Thompson, resigned.

David F. Demarest,
of Virginia, to be an Assistant Secretary of Labor (new position).

Dorothy Livingston Strunk,
of Maryland, to be Assistant Secretary of Labor for Mine Safety and Health, vice David A. Zegeer, resigned.

Lawrence M. Hecker,
of Connecticut, to be Deputy Administrator of the Federal Aviation Administration, vice Richard H. Jones, resigned.

Ruth Reeve Jensen,
of Arizona, to be a member of the National Advisory Council on Educational Research and Improvement for the term expiring September 30, 1989, vice Donna Helene Hearne, resigned.

Marshall Turner, Jr.,
of California, to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1992, vice Richard Brookhiser, term expired.

Louis L. Guy, Jr.,
of Virginia, to be a member of the Board of Directors of the National Institute of Building Sciences for a term expiring September 7, 1989, vice Philip D. Winn, term expired.

Robert D. Orr,
of Indiana, to be a member of the Board of Directors of the National Railroad Passenger Corporation for a term expiring April 27, 1990 (reappointment).

James T. Turner,
of Virginia, to be a Judge of the United States Claims Court for the term of 15 years, vice Hal-dane Robert Mayer.

Paul V. Gadola,
of Michigan, to be United States District Judge for the Eastern District of Michigan, vice John Feikens, retired.

K. Michael Moore,
of Florida, to be United States Attorney for the Northern District of Florida for the term of 4 years, vice Willard Thomas Dillard III, resigned.

William S. Price,
of Oklahoma, to be United States Attorney for the Western District of Oklahoma for the term of 4 years (reappointment).

George J. Terwilliger III,
of Vermont, to be United States Attorney for the District of Vermont for the term of 4 years, vice George W.F. Cook, resigned.

Romolo J. Imundi,
of New York, to be United States Marshal for the Southern District of New York for the term of 4 years (reappointment).

Submitted April 24

Nicholas Platt,
of the District of Columbia, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of the Philippines.

Samuel B. Thomsen,
of California, a Foreign Service officer of Class One, to be the United States Representative to the Republic of the Marshall Islands.

Fred J. Eckert,
of Virginia, for the rank of Ambassador during the tenure of his service as United States Representative to the United Nations Agencies for Food and Agriculture in Rome.

Thomas W. Pauken,
of Texas, to be a member of the Board of Directors of the Inter-American Foundation for the term expiring October 6, 1992, vice Luis Guerrero Nogales, term expired.

Charles H. Turner,
of Oregon, to be United States Attorney for the District of Oregon for the term of 4 years (reappointment).

Philip N. Hogen,
of South Dakota, to be United States Attorney for the District of South Dakota for the term of 4 years (reappointment).

Daniel B. Wright,
of New York, to be United States Marshal for the Western District of New York for the term of 4 years (reappointment).

Ralph J. Erickstad,
of North Dakota, to be a member of the Board of Directors of the State Justice Institute for a term expiring September 17, 1989 (new position).

Submitted April 27

Dale A. Petroskey,
of Michigan, to be an Assistant Secretary of Transportation, vice Jennifer Ann Hillings, resigned.

Janet L. Norwood,
of Maryland, to be Commissioner of Labor Statistics, United States Department of Labor, for a term of 4 years (reappointment).

Edward W. Kelley, Jr.,
of Texas, to be a member of the Board of Governors of the Federal Reserve System for the unexpired term of 14 years from February 1, 1976, vice Emmett John Rice, resigned.

Edward H. Fleischman,
of New Jersey, to be a member of the Securities and Exchange Commission for the term expiring June 5, 1992 (reappointment).

Submitted May 1

Robert F. Kelly,
of Pennsylvania, to be United States District Judge for the Eastern District of Pennsylvania, vice Donald W. Van Artsdalen, retired.

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David F. Levi,
of California, to be United States Attorney for the Eastern District of California for the term of 4 years, vice Donald B. Ayer, resigned.

Robert H. Edmunds, Jr.,
of North Carolina, to be United States Attorney for the Middle District of North Carolina for the term of 4 years, vice Kenneth W. McAllister, resigned.

Jesse R. Jenkins,
of North Carolina, to be United States Marshal for the Western District of North Carolina for the term of 4 years, vice Max E. Wilson, resigned.

Submitted May 5

Larry J. McKinney,
of Indiana, to be United States District Judge for the Southern District of Indiana, vice William E. Steckler, retired.

Philip M. Pro,
of Nevada, to be United States District Judge for the District of Nevada, vice Harry E. Claiborne, impeached.

David G. Larimer,
of New York, to be United States District Judge for the Western District of New York, vice a new position created by P.L. 98-353, approved July 10, 1984.

Rodney S. Webb,
of North Dakota, to be United States District Judge for the District of North Dakota, vice Paul Benson, retired.

Ewen M. Wilson,
of Virginia, to be a member of the Board of Directors of the Commodity Credit Corporation, vice Robert L. Thompson, resigned.

Noreen C. Thomas,
of Washington, to be a member of the National Advisory Council on Educational Research and Improvement for a term expiring September 30, 1988, vice Wallie Cooper Simpson, term expired.

Michael A. McManus, Jr.,
of New York, to be a member of the Board of Directors of the Communications Satellite Corporation until the date of the annual meeting of the Corporation in 1990 (reappointment).

Jerry Lee Calhoun,
of Washington, to be a member of the Federal Labor Relations Authority for a term of 5 years expiring July 29, 1992 (reappointment).

Joni Tada,
of California, to be a member of the National Council on the Handicapped for a term expiring September 17, 1988, vice Joseph Dusenberry, term expired.

John R. Wall,
of Ohio, to be a member of the Occupational Safety and Health Review Commission for a term expiring April 27, 1993 (reappointment).

Submitted May 8

Denis Lamb,
of Virginia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be the Representative of the United States of America to the Organization for Economic Cooperation and Development with the rank of Ambassador.

Submitted May 13

James H. Michel,
of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guatemala.

Michael W. Carey,
of West Virginia, to be United States Attorney for the Southern District of West Virginia for the term of 4 years, vice David A. Faber, resigned.

Kenneth Y. Tomlinson,
of New York, to be a member of the Board for International Broadcasting for a term expiring April 28, 1990, vice Arch L. Madsen, term expired.

Submitted May 18

Hume Alexander Horan,
of New Jersey, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Saudi Arabia.

George A. Conn,
of Maryland, to be a member of the National Council on the Handicapped for the remainder of the term expiring September 17, 1988, vice John F. Mills.

Withdrawn May 18

Lee H. Henkel, Jr.,
of Georgia, to be a member of the Federal Home Loan Bank Board for the term of 4 years expiring June 30, 1989, vice Donald I. Hovde, resigned, to which position he was appointed during the recess of the Senate from October 18, 1986, until

January 6, 1987, which was sent to the Senate on February 13, 1987.

Submitted May 19

H. Lawrence Garrett III,
of Virginia, to be Under Secretary of the Navy,
vice James F. Goodrich, resigned.

Fred William Alvarez,
of New Mexico, to be an Assistant Secretary of
Labor (new position).

Francis J. Ivancie,
of Oregon, to be a Federal Maritime Commis-
sioner for the term expiring June 30, 1992 (reap-
pointment).

Submitted May 26

Willard Ames De Pree,
of Maryland, a career member of the Senior For-
eign Service, Class of Minister-Counselor, to be
Ambassador Extraordinary and Plenipotentiary of
the United States of America to the People's Re-
public of Bangladesh.

Leonard Grant Shurtleff,
of New Hampshire, a career member of the
Senior Foreign Service, Class of Counselor, to be
Ambassador Extraordinary and Plenipotentiary of
the United States of America to the People's Re-
public of the Congo.

Submitted May 29

Mark L. Edelman,
of Missouri, to be Ambassador Extraordinary and
Plenipotentiary of the United States of America
to the Republic of Cameroon.

W. Nathaniel Howell,
of Virginia, a career member of the Senior For-
eign Service, Class of Counselor, to be Ambassa-
dor Extraordinary and Plenipotentiary of the
United States of America to the State of Kuwait.

Michael Gordon Wygant,
of Massachusetts, a Foreign Service officer of
Class One, to be the United States Representa-
tive to the Federated States of Micronesia.

Randolph J. Agley,
of Michigan, to be a member of the Advisory
Board of the Saint Lawrence Seaway Develop-
ment Corporation, vice John R. Wall, resigned.

Samuel K. Lessey, Jr.,
of New Hampshire, to be Director of Selective
Service, vice Thomas K. Turnage.

Charles L. Gladson,
of California, to be an Assistant Administrator of
the Agency for International Development, vice
Mark L. Edelman.

Charles L. Gladson,
an Assistant Administrator of the Agency for
International Development, to be a member of
the Board of Directors of the African Develop-
ment Foundation for the remainder of the term
expiring September 22, 1991, vice Mark L. Edel-
man.

Submitted June 2

Lester B. Korn,
of California, to be the Representative of the
United States of America on the Economic and
Social Council of the United Nations, with the
rank of Ambassador.

Samuel Eldred Lupo,
of California, a career member of the Senior For-
eign Service, Class of Minister-Counselor, to be
Ambassador Extraordinary and Plenipotentiary of
the United States of America to the Republic of
Guinea.

Jerry E. Smith,
of Texas, to be United States Circuit Judge for
the Fifth Circuit, vice a new position created by
P.L. 98-353, approved July 10, 1984.

John Daniel Tinder,
of Indiana, to be United States District Judge for
the Southern District of Indiana, vice James E.
Noland, retired.

Ewen M. Wilson,
an Assistant Secretary of Agriculture, to be a
member of the Board of Directors of the National
Consumer Cooperative Bank for a term of 3
years, vice Robert L. Thompson.

Kenneth C. Rogers,
of New Jersey, to be a member of the Nuclear
Regulatory Commission for the term of 5 years
expiring June 30, 1992, vice James Kilburn Assel-
stine, term expiring.

Submitted June 5

T. Allan McArtor,
of Tennessee, to be Administrator of the Federal
Aviation Administration, vice Donald D. Engen,
resigned.

Submitted June 9

Kenneth P. Bergquist,
of Virginia, to be an Assistant Secretary of De-
fense, vice Chapman B. Cox, resigned.

Appendix B / Administration of Ronald Reagan, 1987

Submitted June 22

Ernest C. Torres,
of Rhode Island, to be United States District
Judge for the District of Rhode Island, vice Bruce
M. Selya, elevated.

James H. Billington,
of the District of Columbia, to be Librarian of
Congress, vice Daniel J. Boorstin, resigned.

Withdrawn June 23

Nancy Clark Reynolds,
of Virginia, to be a member of the National
Museum Services Board for a term expiring De-
cember 6, 1991, vice Ann Duncan Haffner, term
expired, which was sent to the Senate on March
23, 1987.

Submitted June 24

Warren Clark, Jr.,
of Connecticut, a career member of the Senior
Foreign Service, Class of Minister-Counselor, to
be Ambassador Extraordinary and Plenipotentiary
of the United States of America to the Gabo-
nese Republic and to serve concurrently and
without additional compensation as Ambassador
Extraordinary and Plenipotentiary of the United
States of America to the Democratic Republic of
Sao Tome and Principe.

Roland R. Vautour,
of Vermont, to be Under Secretary of Agriculture
for Small Community and Rural Development,
vice Frank W. Naylor, Jr.

Roland R. Vautour,
of Vermont, to be a member of the Board of
Directors of the Commodity Credit Corporation,
vice Frank W. Naylor, Jr.

Deborah Gore Dean,
of Maryland, to be an Assistant Secretary of
Housing and Urban Development, vice Alfred
Clinton Moran, resigned.

Submitted June 26

William D. Hutchinson,
of Pennsylvania, to be United States Circuit
Judge for the Third Circuit, vice Arlin M. Adams,
retired.

Anthony J. Scirica,
of Pennsylvania, to be United States Circuit
Judge for the Third Circuit, vice Ruggero J. Al-
disert, retired.

Robert O. Hunter, Jr.,
of California, to be Director of the Office of
Energy Research, vice Alvin W. Trivelpiece, re-
signed.

Judith D. Moss,
of Ohio, to be a member of the National Advisory
Council on Women's Educational Programs for a
term expiring May 8, 1990 (reappointment).

Submitted June 29

Robert G. Rich, Jr.,
of Florida, a career member of the Senior For-
eign Service, Class of Minister-Counselor, to be
Ambassador Extraordinary and Plenipotentiary of
the United States of America to Belize.

Arnold L. Steinberg,
of California, to be a member of the Board of
Directors of the National Institute of Building
Sciences for a term expiring September 7, 1988,
vice Van Norden Logan, term expired.

Submitted July 1

R. Kenton Musgrave,
of California, to be a Judge of the United States
Court of International Trade, vice Morgan Ford,
retired.

Clarence A. Beam,
of Nebraska, to be United States Circuit Judge for
the Eighth Circuit, vice Donald R. Ross, retired.

Charles R. Wolle,
of Iowa, to be United States District Judge for the
Southern District of Iowa, vice William C. Stuart,
retired.

George C. Smith,
of Ohio, to be United States District Judge for
the Southern District of Ohio, vice Joseph P. Kin-
neary, retired.

William L. Standish,
of Pennsylvania, to be United States District
Judge for the Western District of Pennsylvania,
vice Barron P. McCune, retired.

Jerome Turner,
of Tennessee, to be United States District Judge
for the Western District of Tennessee, vice
Robert M. McRae, Jr., retired.

T.S. Ellis III,
of Virginia, to be United States District Judge for
the Eastern District of Virginia, vice Robert R.
Merhige, Jr., retired.

Administration of Ronald Reagan, 1987 / Appendix B

Submitted July 2

Roscoe Seldon Suddarth,
of Maryland, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of

the United States of America to the Hashemite Kingdom of Jordan.

John J. Welch, Jr.,
of Texas, to be an Assistant Secretary of the Air Force, vice Thomas Edward Cooper, resigned.

Appendix C—Checklist of White House Press Releases

The following list contains releases of the Office of the Press Secretary which are not included in this book.

Released January 4

Statement:

President's postoperative examination at Bethesda Naval Hospital—by Col. John E. Hutton, Jr., Physician to the President

Released January 5

Statement:

President's prostate surgery at Bethesda Naval Hospital—by Col. John E. Hutton, Jr., Physician to the President

List:

Physicians who participated in the President's medical treatment at Bethesda Naval Hospital

Transcript:

Press briefing on the President's 1988 fiscal year budget—by Secretary of the Treasury James A. Baker III; James C. Miller III, Director of the Office of Management and Budget; and Beryl W. Sprinkel, Chairman of the Council of Economic Advisers

Released January 6

Statements:

President's postoperative examination and prostate surgery at Bethesda Naval Hospital—by Col. John E. Hutton, Jr., Physician to the President (2 releases)

Released January 7

Statements:

President's postoperative examination and prostate surgery at Bethesda Naval Hospital—by Col. John E. Hutton, Jr., Physician to the President (3 releases)

Announcement:

President's visit with Petty Officer Michael K. Ryan, USN, at Bethesda Naval Hospital

Released January 8

Statement:

President's postoperative examination and prostate surgery at Bethesda Naval Hospital—by Col. John E. Hutton, Jr., Physician to the President

Fact sheet:

Federal drug law enforcement, prevention, and treatment expenditures

Released January 9

Statement:

Unemployment rate and inflation for December 1986 and the Dow Jones Industrial Average—by Albert R. Brashear, Deputy Press Secretary for Domestic Affairs

Transcript:

Press briefing on the Nation's economy—by Beryl W. Sprinkel, Chairman of the Council of Economic Advisers

Released January 14

Statement:

Retail sales in December 1986—by Larry M. Speakes, Principal Deputy Press Secretary to the President

Released January 15

Advance text:

Remarks to high school students on Martin Luther King, Jr.

Released January 16

Statement:

Industrial production in December 1986—by Albert R. Brashear, Deputy Press Secretary for Domestic Affairs

Released January 20

Announcement:

Nomination of Frederick J. Hess to be United States Attorney for the Southern District of Illinois

Announcement:

Nomination of P. Raymond Lamonica to be United States Attorney for the Middle District of Louisiana

Appendix C / Administration of Ronald Reagan, 1987

Announcement:

Nomination of John T. Callery to be United States Marshal for the Western District of Tennessee

Announcement:

Nomination of O. Evans Denney to be United States Marshal for the District of Delaware

Announcement:

Nomination of Stuart E. Earnest to be United States Marshal for the Western District of Oklahoma

Announcement:

Nomination of Faith P. Evans to be United States Marshal for the District of Hawaii

Announcement:

Nomination of J. Keith Gary to be United States Marshal for the Eastern District of Texas

Announcement:

Nomination of Eugene V. Marzullo to be United States Marshal for the Western District of Pennsylvania

Announcement:

Nomination of James L. Meyers to be United States Marshal for the Middle District of Louisiana

Announcement:

Nomination of Francis K. Peo to be United States Marshal for the Northern District of New York

Announcement:

Nomination of Blaine Skinner to be United States Marshal for the District of Idaho

Released January 21

Statement:

Annual and monthly rate of inflation and December 1986 housing starts and building permits—by Larry M. Speakes, Principal Deputy Press Secretary to the President

Transcript:

Press briefing on the annual and monthly rate of inflation and December 1986 housing starts and building permits—by Beryl W. Sprinkel, Chairman of the Council of Economic Advisers

Released January 22

Statement:

Gross national product for fourth quarter of 1986—by Larry M. Speakes, Principal Deputy Press Secretary to the President

Released January 27

Excerpts:

State of the Union Address

Advance text:

State of the Union Address

Fact sheet:

State of the Union Address

Fact sheet:

Legislative message to Congress

Fact sheet:

Agriculture initiatives

Fact sheet:

Competitiveness initiative

Fact sheet:

Initiative on catastrophic illness coverage

Fact sheet:

National welfare strategy

Released January 28

Announcement:

Visit by Frank C. Carlucci, Assistant to the President for National Security Affairs, to Central America

Fact sheet:

National Security Strategy Report

Advance text:

Remarks to National Aeronautics and Space Administration employees in Greenbelt, MD, on the anniversary of the explosion of the space shuttle *Challenger*

Released January 29

Transcript:

Press briefing on the Economic Report of the President—by Beryl W. Sprinkel, Chairman of the Council of Economic Advisers

Summary:

Economic Report of the President

Released January 30

Statement:

U.S. trade deficit for December and the year 1986—by Larry M. Speakes, Principal Deputy Press Secretary to the President

Announcement:

Nomination of Bohdan A. Futey to be a Judge of the United States Claims Court

Announcement:
Nomination of Michael S. Kanne to be United States Circuit Judge for the Seventh Circuit

Announcement:
Nomination of Edward Leavy to be United States Circuit Judge for the Ninth Circuit

Announcement:
Nomination of Bernard H. Siegan to be United States Circuit Judge for the Ninth Circuit

Announcement:
Nomination of Richard J. Daronco to be United States District Judge for the Southern District of New York

Announcement:
Nomination of Malcolm F. Marsh to be United States District Judge for the District of Oregon

Released January 30

Transcript:
Remarks of Larry M. Speakes, departing Principal Deputy Press Secretary to the President, at the National Press Club

Transcript:
Question-and-answer session between Larry M. Speakes, departing Principal Deputy Press Secretary to the President, and reporters at the National Press Club

Released February 2

Announcement:
Nomination of James H. Alesia to be United States District Judge for the Northern District of Illinois

Announcement:
Nomination of Robert P. Charrow to be a Judge of the United States Claims Court

Announcement:
Nomination of Ronald S.W. Lew to be United States District Judge for the Central District of California

Announcement:
Nomination of Layn R. Phillips to be United States District Judge for the Western District of Oklahoma

Announcement:
Nomination of Wilkes C. Robinson to be a Judge of the United States Claims Court

Announcement:
Nomination of David Bryan Sentelle to be United States Circuit Judge for the District of Columbia Circuit

Announcement:
Nomination of James B. Zagel to be United States District Judge for the Northern District of Illinois

Released February 3

Announcement:
Nomination of Haldane Robert Mayer to be United States Circuit Judge for the Federal Circuit

Statement:
Leading economic indicators for December 1986—by Marlin Fitzwater, Assistant to the President for Press Relations

Released February 5

Announcement:
Nomination of D. Michael Crites to be the United States Attorney for the Southern District of Ohio

Announcement:
Nomination of David S. Doty to be United States District Judge for the District of Minnesota

Announcement:
Nomination of Robert N. Miller to be United States District Judge for the District of Colorado

Released February 6

Statement:
Unemployment rate for January—by Marlin Fitzwater, Assistant to the President for Press Relations

Released February 11

Announcement:
Nomination of Morton I. Greenberg to be United States Circuit Judge for the Third Circuit

Statement:
President's meeting with the Special Review Board for the National Security Council—by Marlin Fitzwater, Assistant to the President for Press Relations

Released February 12

Fact sheet:
Catastrophic health care

Statement:
Retail sales for January—by Marlin Fitzwater, Assistant to the President for Press Relations

Transcript:
Press briefing on catastrophic health care—by Secretary of Health and Human Services Otis R.

Appendix C / Administration of Ronald Reagan, 1987

Bowen and Marlin Fitzwater, Assistant to the President for Press Relations

Released February 13

Statement:

Producer Price Index for January—by Marlin Fitzwater, Assistant to the President for Press Relations

Transcript:

Press briefing on welfare reform—by Gov. Thomas Kean of New Jersey and Robert Woodson, president of the National Center for Neighborhood Enterprise

Released February 17

Advance text:

Remarks at a White House briefing for business leaders on the proposed competitiveness initiative

Fact sheet:

President's competitiveness initiative

Transcript:

Press briefing on the President's competitiveness initiative—by Secretary of the Treasury James A. Baker III; Secretary of Labor William E. Brock III; and Clayton Yeutter, U.S. Trade Representative

Released February 19

Statement:

Gross national product for the fourth quarter of 1986—by Marlin Fitzwater, Assistant to the President for Press Relations

Fact sheet:

Trade, Employment, and Productivity Act of 1987

Released February 20

Advance text:

Remarks at the Conservative Political Action Conference luncheon

Released February 24

Fact sheet:

Medicare Catastrophic Illness Coverage Act

Released February 26

Transcript:

Press conference on the final report of the President's Special Review Board for the National Security Council—by Senators John G. Tower and Edmund S. Muskie and Lt. Gen. Brent Scowcroft, USAF, (Ret.)

Fact sheet:

Low-Income Opportunity Improvement Act of 1987

Released March 2

Announcement:

Nomination of Roger B. Andewelt to be a Judge of the United States Claims Court

Announcement:

Nomination of William J. Jonas, Jr., to be United States Marshal for the Western District of Texas and Earl L. Rife to be United States Marshal for the Northern District of Ohio

Transcript:

Press briefing on his role as Chief of Staff—by Howard H. Baker, Jr., Chief of Staff to the President of the United States

Released March 3

Announcement:

Nomination of Joseph P. Stadtmueller to be United States District Judge for the Eastern District of Wisconsin

Released March 4

Fact sheet:

The President's trip to Europe (June 3–12)

Transcript:

Press briefing on his nomination to be Director of Central Intelligence—by William H. Webster

Advance text:

Address to the Nation on the Iran arms and *contra* aid controversy

Released March 6

Statement:

Unemployment rate for February—by Marlin Fitzwater, Assistant to the President for Press Relations

Transcript:

Press briefing on the Soviet-U.S. nuclear and space arms negotiations—by Frank C. Carlucci, Assistant to the President for National Security Affairs, and Ambassadors Max M. Kampelman, Ronald F. Lehman II, and Maynard Glitman

Released March 6

Transcript:

Press briefing on his resignation as Assistant to the President and Director of Communications—by John O. Koehler

Released March 11

Announcement:

Nomination of Robert Holmes Bell to be United States District Judge for the Western District of Michigan

Released March 12

Fact sheet:

Federal Credit Reform Act of 1987

Announcement:

Nomination of Basil S. Baker to be United States Marshal for the Southern District of Texas

Announcement:

Nomination of Robert W. Foster to be United States Marshal for the Southern District of Ohio

Announcement:

Nomination of Dwight G. Williams to be United States Marshal for the Northern District of Mississippi

Statement:

Appointment of Kenneth M. Duberstein as Deputy Chief of Staff to the President—by Howard H. Baker, Jr., Chief of Staff to the President

Fact sheet:

Biographical information on Kenneth M. Duberstein, Deputy Chief of Staff to the President

Released March 13

Statement:

Industrial production and the Producer Price Index for February—by Marlin Fitzwater, Assistant to the President for Press Relations

Released March 18

Announcement:

Nomination of Royce C. Lamberth to be United States District Judge for the District of Columbia

Released March 19

Announcement:

Nomination of Marvin E. Breazeale to be United States Marshal for the Southern District of Mississippi

Released March 23

Announcement:

Nomination of Susan Wittenberg Liebeler to be United States Circuit Judge for the Federal Circuit

Released March 25

Letter:

From the President's Special Review Board for the National Security Council—apology to J. Robert McBrien for the erroneous reference to him in its report

Released March 26

Advance text:

Remarks to the National Governors' Association/Department of Education Conference in Columbia, MO

Released March 27

Transcript:

Press briefing on the President's veto of the Surface Transportation and Uniform Relocation Assistance Act of 1987—by Secretary of Transportation Elizabeth Hanford Dole

Transcript:

Press briefing on U.S. countermeasures to unfair trading practices of the Japanese semiconductor industry—by Secretary of Commerce Malcolm Baldrige and U.S. Trade Representative Clayton Yeutter

Fact sheet:

Japanese semiconductors

Released March 31

Fact sheet:

International Conference on Private Sector Initiatives

Announcement:

Nomination of Suzanne B. Conlon to be United States District Judge for the Northern District of Illinois

Released April 1

Advance text:

Remarks to the College of Physicians in Philadelphia, PA

Announcement:

Nomination of Frank L. McNamara, Jr., to be United States Attorney for the District of Massachusetts

Released April 5

Advance text:

Toast at the state dinner in Ottawa, Canada

Appendix C / Administration of Ronald Reagan, 1987

Released April 6

Advance text:
Remarks at the joint session of Parliament in Ottawa, Canada

Released April 7

Transcript:
Press briefing on security conditions at the U.S. Embassy in Moscow—by Frank C. Carlucci, Assistant to the President for National Security Affairs, and Robert E. Lamb, Assistant Secretary of State for Diplomatic Security

Released April 9

Advance text:
Remarks to the students and faculty of Purdue University in West Lafayette, IN

Released April 10

Advance text:
Remarks at the Los Angeles World Affairs Council luncheon in California

Fact sheet:
Executive order on facilitating access to science and technology

Released April 13

Transcript:
Press briefing on Secretary of State Shultz' visit to Moscow and other foreign and domestic issues—by Howard H. Baker, Jr., Chief of Staff to the President, and Frank C. Carlucci, Assistant to the President for National Security Affairs

Announcement:
Nomination of Charles W. Larson to be United States Attorney for the Northern District of Iowa

Released April 16

Transcript:
Press briefing on his meetings in Moscow—by Secretary of State George P. Shultz

Released April 17

Fact sheet:
Increase in tariffs on certain Japanese exports to the United States

Released April 23

Announcement:
Nomination of Paul V. Gadola to be United States District Judge for the Eastern District of Michigan

Announcement:
Nomination of James T. Turner to be a Judge of the United States Claims Court

Announcement:
Nomination of K. Michael Moore to be United States Attorney for the Northern District of Florida

Announcement:
Nomination of William S. Price to be United States Attorney for the Western District of Oklahoma

Announcement:
Nomination of George J. Terwilliger III to be United States Attorney for the District of Vermont

Announcement:
Nomination of Romolo J. Imundi to be United States Marshal for the Southern District of New York

Released April 24

Announcement:
Nomination of Philip N. Hogen to be United States Attorney for the District of South Dakota

Announcement:
Nomination of Charles H. Turner to be United States Attorney for the District of Oregon

Announcement:
Nomination of Daniel B. Wright to be United States Marshal for the Western District of New York

Released April 27

Advance text:
Remarks at the 75th annual meeting of the U.S. Chamber of Commerce

Released April 30

Announcement:
Nomination of Robert H. Edmunds, Jr., to be United States Attorney for the Middle District of North Carolina

Announcement:
Nomination of Jesse R. Jenkins to be United States Marshal for the Western District of North Carolina

Released May 1

Announcement:

Nomination of Robert F. Kelly to be United States District Judge for the Eastern District of Pennsylvania

Announcement:

Nomination of David F. Levi to be United States Attorney for the Eastern District of California

Released May 3

Advance text:

Remarks at the 100th annual convention of the American Newspaper Publishers Association on Ellis Island in New York, NY

Released May 5

Announcement:

Nomination of David G. Larimer to be United States District Judge for the Western District of New York

Announcement:

Nomination of Larry J. McKinney to be United States District Judge for the Southern District of Indiana

Announcement:

Nomination of Philip M. Pro to be United States District Judge for the District of Nevada

Announcement:

Nomination of Rodney S. Webb to be United States District Judge for the District of North Dakota

Released May 6

Advance text:

Remarks to employees of the Harley-Davidson Co. in York, PA

Announcement:

President's trip to Tuskegee, AL, on May 10 to participate in the dedication of the General Daniel "Chappie" James Center for Aerospace and Health Education and to be the principal speaker at Tuskegee University's spring commencement ceremony

Released May 10

Advance text:

Remarks at the Tuskegee University commencement ceremony in Tuskegee, AL

Released May 13

Announcement:

Nomination of Michael W. Carey to be the United States Attorney for the Southern District of West Virginia

Released May 16

Advance text:

Remarks at the Uniformed Services University of the Health Sciences' commencement ceremony

Released May 19

Advance text:

Remarks at the commencement ceremony for area high school seniors in Chattanooga, TN

Released May 20

Transcript:

Press briefing on the Department of Education report entitled "Schools that Work: Educating Disadvantaged Children"—by Secretary of Education William J. Bennett

Released May 22

Advance text:

Remarks at the memorial service for crewmembers of the U.S.S. *Stark* at Mayport Naval Station, in Jacksonville, FL

Released May 26

Transcript:

Press briefing on the U.S. economy and prospects for economic growth—by Beryl W. Sprinkel, Chairman of the Council of Economic Advisers

Advance text:

Remarks at the swearing-in ceremony of William H. Webster as the Director of Central Intelligence

Released May 28

Advance text:

Remarks at the National Association of Manufacturers' Annual Congress of American Industry

Released May 29

Announcement:

Italian-American Conference on Private Sector Initiatives, Milan and Venice, Italy, June 9-11

Transcript:

Press briefing on U.S. Persian Gulf policy—by Frank C. Carlucci, Assistant to the President for National Security Affairs

Appendix C / Administration of Ronald Reagan, 1987

Released May 31

Advance text:
Remarks at the American Foundation for AIDS
Research awards dinner

Released June 1

Advance text:
Remarks at the George C. Marshall Month pro-
clamation signing ceremony

Released June 2

Transcript:
Press briefing on the upcoming Venice economic
summit—by Secretary of State George P. Shultz

Transcript:
Press briefing on the nomination of Alan Green-
span to be the Chairman of the Board of Gover-
nors of the Federal Reserve System—by Secre-
tary of the Treasury James A. Baker III; Paul A.
Volcker, Chairman of the Board of Governors of
the Federal Reserve System; and Alan Greenspan

Transcript:
Press briefing on the upcoming Venice economic
summit—by Secretary of the Treasury James A.
Baker III

Announcement:
Nomination of Jerry E. Smith to be United States
Circuit Judge for the Fifth Circuit

Announcement:
Nomination of John Daniel Tinder to be United
States District Judge for the Southern District of
Indiana

Released June 3

Advance text:
Remarks on departure from the White House for
the trip to Europe

Released June 7

Transcript:
Interview of Howard H. Baker, Jr., Chief of Staff
to the President, by CBS News "Face the
Nation"

Transcript:
Interview of Frank C. Carlucci, Assistant to the
President for National Security Affairs, by CNN
"Newsmaker"

Transcript:
Interview of Secretary of the Treasury James A.
Baker III by ABC News "This Week With David
Brinkley"

Transcript:
Interview of Secretary of the Treasury James A.
Baker III by CNN "Evans and Novak"

Released June 8

Transcript:
Interview of Secretary of the Treasury James A.
Baker III by CBS News "Morning News"

Transcript:
Interview of Howard H. Baker, Jr., Chief of Staff
to the President, by ABC News "Good Morning
America"

Transcript:
Interview of Frank C. Carlucci, Assistant to the
President for National Security Affairs, by NBC
News "Today"

Transcript:
Press briefing on the Venice economic summit—
by Howard H. Baker, Jr., Chief of Staff to the
President, and Frank C. Carlucci, Assistant to the
President for National Security Affairs

Transcript:
Interview of Secretary of the Treasury James A.
Baker III by NBC News "Before Hours"

Transcript:
Interview of Howard H. Baker, Jr., Chief of Staff
to the President, by NBC News "Nightly News"

Released June 9

Fact sheet:
1987-1988 White House fellows

Statement:
Venice economic summit opening dinner at the
Prefettura—by Marlin Fitzwater, Assistant to the
President for Press Relations

Transcript:
Interview of Secretary of State George P. Shultz
by NBC News "Today"

Transcript:
Interview of Secretary of the Treasury James A.
Baker III by ABC News "Good Morning Amer-
ica"

Transcript:
Interview of Secretary of State George P. Shultz
by CBS News "CBS Evening News"

Transcript:
Interview of Secretary of the Treasury James A.
Baker III by ABC News "World News Tonight"

Administration of Ronald Reagan, 1987 / Appendix C

Transcript:

Press briefing on the Venice economic summit—by Secretary of State George P. Shultz

Released June 10

Announcement:

Recipients of the National Medal of Arts

Statement:

Venice economic summit working dinner for summit leaders and foreign leaders at the Palazzo Grassi—by Marlin Fitzwater, Assistant to the President for Press Relations

Transcript:

Interview of Secretary of the Treasury James A. Baker III by NBC News “Today”

Transcript:

Interview of Secretary of State George P. Shultz by ABC News “Good Morning America”

Transcript:

Press briefing on the Venice economic summit—by Frank C. Carlucci, Assistant to the President for National Security Affairs

Transcript:

Interview of Secretary of State George P. Shultz by CNN

Transcript:

Interview of Secretary of the Treasury James A. Baker III by NBC News “Nightly News”

Transcript:

Press briefing on the Venice economic summit—by Secretary of the Treasury James A. Baker III

Transcript:

Interview of Howard H. Baker, Jr., Chief of Staff to the President, by CBS News “Evening News”

Transcript:

Interview of Frank C. Carlucci, Assistant to the President for National Security Affairs, by CBS News “Morning News”

Transcript:

Interview of Secretary of State George P. Shultz by ABC News “World News Tonight”

Transcript:

Interview of Secretary of the Treasury James A. Baker III by CNN

Transcript:

Interview of Secretary of the Treasury James A. Baker III by “MacNeill-Lehrer Newshour”

Statement:

Antibiotic treatment received by the President during the Venice economic summit

Released June 11

Transcript:

Interview of Howard H. Baker, Jr., Chief of Staff to the President, by ABC News

Transcript:

Interview of Secretary of the Treasury James A. Baker III by CBS News “CBS Evening News”

Released June 12

Advance text:

Remarks at the Brandenburg Gate, West Berlin

Advance text:

Remarks at Tempelhof Central Airport, West Berlin

Released June 15

Advance text:

The President’s address on the Venice economic summit, arms reduction, and the Federal deficit

Released June 17

Fact sheet:

1987 Presidential Scholars program

Released June 19

Announcement:

Nomination of Ernest C. Torres to be United States District Judge for the District of Rhode Island

Released June 22

Advance text:

Remarks at Dictaphone Corporation’s employee appreciation day picnic in Melbourne, FL

Advance text:

Remarks at a luncheon sponsored by the Greater South Brevard Area Chamber of Commerce in Melbourne, FL

Released June 23

Fact sheet:

Presidential Medal of Freedom

Advance text:

Remarks at the national conference of the National Federation of Independent Business

Appendix C / Administration of Ronald Reagan, 1987

Released June 25

Fact sheet:

National Medals of Science and Technology

Released June 26

Announcement:

Nomination of William D. Hutchinson to be United States Circuit Judge for the Third Circuit

Announcement:

Nomination of Anthony J. Scirica to be United States Circuit Judge for the Third Circuit

Transcript:

Press briefing on the political situation in the Republic of Korea—by Gaston J. Sigur, Assistant Secretary of State for East Asian and Pacific Affairs

Released June 20

Transcript:

Press briefing on U.S. policy in the Persian Gulf—by Secretary of State George P. Shultz, Secretary of Defense Caspar W. Weinberger, Director of Central Intelligence William H. Webster, Adm. William J. Crowe, Jr., Chairman of the Joint Chiefs of Staff, and Frank C. Carlucci, Assistant to the President for National Security Affairs

Released July 1

Announcement:

Nomination of R. Kenton Musgrave to be a Judge of the United States Court of International Trade

Announcement:

Nomination of Clarence A. Beam to be United States Circuit Judge for the Eighth Circuit

Announcement:

Nomination of Charles R. Wolle to be United States District Judge for the Southern District of Iowa

Announcement:

Nomination of George C. Smith to be United States District Judge for the Southern District of Ohio

Announcement:

Nomination of William L. Standish to be United States District Judge for the Western District of Pennsylvania

Announcement:

Nomination of Jerome Turner to be United States District Judge for the Western District of Tennessee

Announcement:

Nomination of T.S. Ellis III to be United States District Judge for the Eastern District of Virginia

Released July 3

Advance text:

Remarks at the Independence Day celebration at the Jefferson Memorial

Fact sheets:

America's Economic Bill of Rights

- Competitiveness
- Privatization: A Means to End Unfair Government Competition
- Regulatory Reform
- Budget Reform
- Tax Limitation Proposal
- Truth In Spending Act of 1987
- Protection of Property Rights
- Protecting Intellectual Property
- Welfare Reform Initiatives
- Education and Opportunity

Appendix D—Acts Approved by the President

Approved January 28

H.J. Res. 88 / Public Law 100-1
Extending the time within which the President may transmit the Economic Report to the Congress

H.J. Res. 93 / Public Law 100-2
To provide for a temporary prohibition of strikes or lockouts with respect to the Long Island Rail Road labor-management dispute

S.J. Res. 24 / Public Law 100-3
To designate January 28, 1987, as “National Challenger Center Day” to honor the crew of the space shuttle *Challenger*

Passed February 4, over the President’s veto

H.R. 1 / Public Law 100-4
Water Quality Act of 1987

Approved February 11

H.J. Res. 131 / Public Law 100-5
Congratulating Dennis Conner and the crew of Stars and Stripes for their achievement in winning the America’s Cup

Approved February 12

H.J. Res. 102 / Public Law 100-6
Making emergency additional funds available by transfer for the fiscal year ending September 30, 1987, for the Emergency Food and Shelter Program of the Federal Emergency Management Agency

Approved March 5

H.J. Res. 3 / Public Law 100-7
To recognize the 100th anniversary of the enactment of the Hatch Act of March 2, 1887, and its role in establishing our Nation’s system of State agricultural experiment stations

Approved March 6

H.J. Res. 53 / Public Law 100-8
To designate the week beginning March 1, 1987, as “Federal Employees Recognition Week”

Approved March 12

S.J. Res. 20 / Public Law 100-9
To designate the month of March, 1987, as “Women’s History Month”

S.J. Res. 46 / Public Law 100-10
Declaring 1987 as “Arizona Diamond Jubilee Year”

Approved March 17

H.J. Res. 153 / Public Law 100-11
To provide for timely issuance of grants and loans by the Environmental Protection Agency under the Asbestos School Hazard Abatement Act of 1985 to ensure that eligible local educational agencies can complete asbestos abatement work in school buildings during the 1987 summer school recess

S. 83 / Public Law 100-12
National Appliance Energy Conservation Act of 1987

Approved March 20

S.J. Res. 65 / Public Law 100-13
To designate the week of April 5, 1987, through April 11, 1987, as “National Know Your Cholesterol Week”

Approved March 24

H.R. 1056 / Public Law 100-14
To amend the National Housing Act to limit the fees that may be charged by the Government National Mortgage Association for the guaranty of mortgage-backed securities

Approved March 25

S.J. Res. 19 / Public Law 100-15
To designate March 20, 1987 as “National Energy Education Day”

Approved March 27

S.J. Res. 63 / Public Law 100-16
To designate March 21, 1987, as Afghanistan Day

Appendix D / Administration of Ronald Reagan, 1987

Passed April 2, over the President's veto

H.R. 2 / Public Law 100-17

Surface Transportation and Uniform Relocation Assistance Act of 1987

Approved April 3

S.632 / Public Law 100-18

To amend the Legislative Branch Appropriations Act, 1979, as reenacted, to extend the duration of the Office of Classified National Security Information within the Office of the Secretary of the Senate, and for other purposes

S.J. Res. 96 / Public Law 100-19

Designating April 3, 1987, as "Interstate Commerce Commission Day"

Approved April 7

H.R. 1505 / Public Law 100-20

Making technical corrections relating to the Federal Employees' Retirement System

Approved April 8

S.J. Res. 47 / Public Law 100-21

To designate "National Former POW Recognition Day"

Approved April 10

S.J. Res. 18 / Public Law 100-22

To authorize and request the President to issue a proclamation designating June 1 through June 7, 1987 as "National Fishing Week"

S.J. Res. 64 / Public Law 100-23

To designate May, 1987 as "Older Americans Month"

S.J. Res. 74 / Public Law 100-24

To designate the month of May, 1987 as "National Cancer Institute Month"

Approved April 17

H.J. Res. 200 / Public Law 100-25

To designate April 10, 1987, as "Education Day U.S.A."

Approved April 21

H.R. 1783 / Public Law 100-26

Defense Technical Corrections Act of 1987

H.J. Res. 119 / Public Law 100-27

Designating the week of April 19, 1987, through April 25, 1987, as "National Minority Cancer Awareness Week"

Approved April 24

H.R. 1123 / Public Law 100-28

To amend the Food Security Act of 1985 to extend the date for submitting the report required by the National Commission on Dairy Policy

Approved April 29

S.J. Res. 58 / Public Law 100-29

To designate the month of April 1987, as "National Child Abuse Prevention Month"

S.J. Res. 89 / Public Law 100-30

To authorize and request the President to issue a proclamation designating April 26, through May 2, 1987, as "National Organ and Tissue Donor Awareness Week"

Approved May 5

S.J. Res. 57 / Public Law 100-31

To designate the period commencing on May 3, 1987, and ending on May 10, 1987, as "National Older Americans Abuse Prevention Week"

S.J. Res. 67 / Public Law 100-32

To designate the month of May 1987, as "National Digestive Diseases Awareness Month"

Approved May 7

H.R. 14 / Public Law 100-33

To designate certain river segments in New Jersey as study rivers for potential inclusion in the National Wild and Scenic River System

H.R. 1963 / Public Law 100-34

To amend the Surface Mining Control and Reclamation Act of 1977 to permit States to set aside in a special trust fund up to 10 per centum of the annual State funds from the Abandoned Mine Land Reclamation Fund for expenditure in the future for purposes of abandoned mine reclamation, and for other purposes

Approved May 8

H.R. 240 / Public Law 100-35

To amend the National Trails System Act to designate the Santa Fe Trail as a National Historic Trail

Approved May 12

S.J. Res. 55 / Public Law 100-36

Designating the week of May 10, 1987, through May 16, 1987, as "National Osteoporosis Prevention Week of 1987"

Administration of Ronald Reagan, 1987 / Appendix D

S.J. Res. 124 / Public Law 100-37
Designating May 10, 1987, through May 16, 1987, as "Just Say No to Drugs Week"

Approved May 13

S. 1167 / Public Law 100-38
Stewart B. McKinney National Wildlife Refuge Designation Act of 1987

Approved May 14

H.J. Res. 67 / Public Law 100-39
To authorize and request the President to issue a proclamation designating May 3 through May 10, 1987, as "Jewish Heritage Week"

Approved May 15

H.R. 2360 / Public Law 100-40
To provide for a temporary increase in the public debt limit

S. 903 / Public Law 100-41
To extend certain protections under title 11 of the United States Code, the Bankruptcy Code

Approved May 21

H.R. 1941 / Public Law 100-42
To repeal and amend certain sections of the Powerplant and Industrial Fuel Use Act of 1978

Approved May 22

S. 1177 / Public Law 100-43
Thrift Savings Fund Investment Act of 1987

Approved May 23

H.J. Res. 290 / Public Law 100-44
Designating May 25, 1987, as "National Day of Mourning for the Victims of the U.S.S. *Stark*"

Approved May 27

H.R. 1157 / Public Law 100-45
Farm Disaster Assistance Act of 1987

Approved May 29

H.J. Res. 270 / Public Law 100-46
To recognize the one hundred and twenty-fifth anniversary of the United States Department of Agriculture

S. 942 / Public Law 100-47
To amend title 5, United States Code, to extend the pay retention provisions of such title to certain prevailing rate employees in the Tucson wage area whose basic pay would otherwise be subject to reduction pursuant to a wage survey

Approved June 1

H.R. 1085 / Public Law 100-48
New GI Bill Continuation Act

S.J. Res. 70 / Public Law 100-49
Commemorating the fortieth anniversary of the Marshall plan

Approved June 3

H.R. 1846 / Public Law 100-50
Higher Education Technical Amendments Act of 1987

Approved June 16

H.J. Res. 280 / Public Law 100-51
To observe the 300th Commencement exercise at the Ohio State University on June 12, 1987

S.J. Res. 5 / Public Law 100-52
Designating June 14, 1987, as "Baltic Freedom Day"

Approved June 18

H.R. 1947 / Public Law 100-53
Magistrates' Retirement Parity Act of 1987

H.J. Res. 283 / Public Law 100-54
Recognizing the service and contributions of the Honorable Wilbur J. Cohen

Approved June 19

S. 626 / Public Law 100-55
To prohibit the imposition of an entrance fee at the Statue of Liberty National Monument, and for other purposes

Approved June 23

H.J. Res. 106 / Public Law 100-56
To designate June 19, 1987, as "American Gospel Arts Day"

Approved June 25

H.J. Res. 17 / Public Law 100-57
To designate the third week in June 1987 as "National Dairy Goat Awareness Week"

H.J. Res. 178 / Public Law 100-58
Designating June 25, 1987, as "National Catfish Day"

Approved June 29

H.R. 2243 / Public Law 100-59
To designate the Federal Building located at 10 Causeway Street, Boston, Massachusetts, as the "Thomas P. O'Neill, Jr., Federal Building"

Appendix D / Administration of Ronald Reagan, 1987

H.R. 2100 / Public Law 100-60

To designate the border station at 9931 Guide Meridian Road, Lynden, Washington, as the "Kenneth G. Ward Border Station"

H.J. Res. 284 / Public Law 100-61

Designating the week beginning June 21, 1987, as "National Outward Bound Week"

S.J. Res. 86 / Public Law 100-62

To designate October 28, 1987, as "National Immigrants Day"

Approved June 30

H.R. 191 / Public Law 100-63

To authorize the establishment of a Peace Garden on a site to be selected by the Secretary of the Interior

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